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Industrial development cooperation

Note by the Secretary-General

The Secretary-General hereby transmits the report of the Director-General of the United Nations Industrial Development Organization (UNIDO), submitted in accordance with General Assembly resolution 67/225.

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Report of the Director General of the United Nations Industrial Development Organization

Summary

In the present report, prepared in accordance with General Assembly resolution 67/225, the Director General of the United Nations Industrial Organization (UNIDO) reviews most recent trends in industrial development, including manufacturing value added and growth in countries, the universal demand for innovative industrial policies and strategies and the relationship of industrialization with the economic, social and environmental dimensions of sustainable development.

In addition, the report analyses the importance of industrial development in the context of the emerging development agenda beyond 2015, making clear policy recommendations in that regard. Furthermore, the report describes the role and recent contributions of UNIDO, as the specialized agency of the United Nations mandated to promote inclusive and sustainable industrial development and international industrial cooperation.

I. Industrial development in review

A. Introduction

1. In the previous report on industrial development cooperation (A/67/223), the concept of inclusive and sustainable industrial development was introduced as the primary, renewed mandate of UNIDO and as a potential goal for the post-2015 development agenda.

2. The report argued that industrial development has proven to be the key factor in lifting people out of poverty, creating sustained shared prosperity, advancing international competitiveness at all levels and in all sectors and systematically improving environmental and social safeguards. This argument was based on observations of successful development paths in Europe, North America and Asia. Indeed, history shows that in countries that successfully transformed from an agrarian to a modern economy, Governments coordinated key investments by private enterprises that helped to launch new industries and often provided incentives to pioneering firms.[1] The argument was also based on the realization that entrepreneurship-based industrialization is a necessary precondition for long-term sustainable economic growth, social advancement and technological innovation, including in industry-related services and the agricultural sectors.

3. Since the issuance of the previous report, the international community has made a quantum leap in recognizing industrialization as a core sustainable development driver for eradicating poverty in the post-2015 era. In December 2013, the UNIDO General Conference adopted a milestone resolution, entitled "Lima Declaration: Towards inclusive and sustainable industrial development" (GC.15/Res.1). In June 2013, at the High-level Conference of Middle-Income Countries, held in San Jose, Costa Rica, participants declared that industrial transformation was a key prerequisite for achieving any future development goal.[2] Most recently, the least developed countries reiterated that the implementation of the Istanbul Programme of Action[3] depended on advancing inclusive and sustainable industrial development.[4] In addition, included in the draft outcome document of the Third International Conference on Small Island Developing States (A/CONF.223/3), to be held in September 2014, is a call for action to encourage inclusive and sustainable industrial development in their development agenda.

4. The various regional groups have likewise identified inclusive and sustainable industrial development as a cornerstone for their development policies. The common African position on the post-2015 development agenda considers industrialization as a central strategy for Africa to address poverty, inequality and unemployment, a notion that is also reflected in the economic reports of the African Union and the Economic Commission for Africa (ECA) for 2013 and 2014. At the ministerial conference on production and industrial development in Latin American

[1] Justin Lin, "Industrial policy comes out of the cold", Project Syndicate, 2010.

[2] San Jose Declaration: "Challenges for sustainable development and international cooperation in middle-income countries: the role of networks for prosperity" (IDB.41/Dec.4).

[3] Programme of Action for the Least Developed Countries for the Decade 2011-2020 (see A/CONF.219/3).

[4] Ministerial Conference on New Partnerships for Productive Capacity Building in Least Developed Countries, held in Cotonou, in July 2014.

and Caribbean, held in Caracas in 2013, high-level officials identified the pressing need to foster and strengthen national productive and industrial capacities in the region to increase productivity and overcome inequalities.[5] During a recent meeting of the Economic and Social Commission for Western Asia, countries of the region identified the promotion of inclusive growth and structural transformation through industrial and agricultural policy as a central development priority until 2030.[6] Meanwhile, most Asian countries have continued on their export-based industrialization path, which has lifted millions of people out of poverty. The industrialized countries have also recognized the importance of industry for their future growth, with the European Commission calling for an "industrial renaissance" and intending to raise the share of industry in European gross domestic product (GDP) to 20 per cent by 2020;[7] with the Organization for Cooperation and Development (OECD) addressing the importance of industrialization in its *Perspectives on Global Development* reports in 2013 and 2014; and with the Governments of Japan and the United States of America announcing industrial policies to revitalize selected industrial sectors in their countries, in particular their small and medium-sized enterprises, with the aim of advancing job creation and innovation.

5. In its resolution 67/225, the General Assembly encouraged Member States to give appropriate consideration to the issue of industrial development in the elaboration of the post-2015 development agenda. In that regard, the Open Working Group on Sustainable Development Goals recently proposed a goal "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation".[8]

6. Against the background of the ongoing negotiations on the post-2015 global development agenda, the global industrial landscape keeps changing at an unprecedented pace. While industrial policy was one of the "best-kept secrets" before 2010, most countries have confirmed since then that they pursue an active industrial policy in one form or another.[9] Of course, governments already provided support to private industries before the recent financial crisis, through direct subsidies, tax credits, or credits from national development banks in order to promote growth and job creation. In many international forums, other features of industrial policy were discussed, including the financing of major industry-related infrastructure, improvements in institutional capacities and transparent legal frameworks.[1]

B. Recent trends in industrial development

7. Following a period of remarkable growth, world manufacturing value added (MVA) reached a peak of $9,724 billion in year 2008, but fell in 2009, as a result mainly of the global financial crisis. Industrialized countries were hit the hardest, with manufacturing output decreasing by 12.4 per cent in real terms in 2009.

[5] Conclusions and recommendations of the meeting of high-level officials on productive and industrial development in Latin America and the Caribbean, Caracas 3 and 4 October 2013.

[6] See Economic Commission for Europe/Economic and Social Commission for Asia and the Pacific/Economic Commission for Latin America and the Caribbean/Economic Commission for Africa/ESCWA, "A regional perspective on the post-2015 UN development agenda", 2013.

[7] European Commission communication, "For a European industrial renaissance", 2014.

[8] Proposed goal 9 in the final report of the Open Working Group, adopted on 19 July 2014.

[9] Industrial policy refers to any government decision, regulation or law that encourages ongoing activity or investment in an industry.

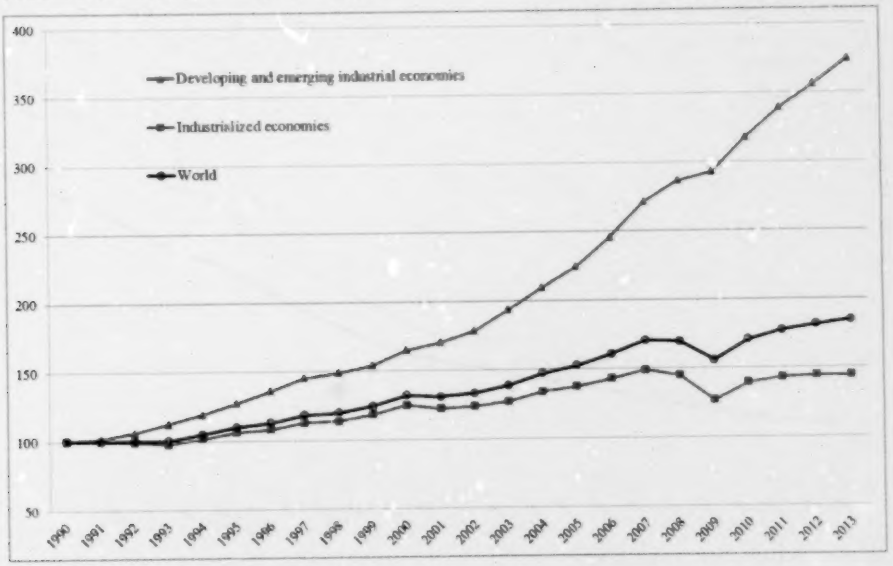
Developing and emerging industrial economies witnessed a slowdown in MVA growth rates starting from 2007, and in 2009 MVA grew by only 2.2 per cent (see figure I). Since then, MVA has recovered in industrialized as well as developing and emerging industrial economies, reaching $12,000 billion in 2013.

8. The acceleration of manufacturing growth over the past decade in developing and emerging industrial economies[10] is particularly remarkable. By 2000, MVA of developing and emerging industrial economies rose by 60 per cent compared with 1990 at 2005 constant prices, while during the past decade, MVA of these countries rose by 130 per cent compared with the year 2000. Between 1990 and 2013, MVA of industrialized economies increased by only 40 per cent.

Figure I

Growth trend in world MVA, 1990-2013, at constant 2005 prices

(Constant 2005 United States dollars, 1990 = 100)



Source: UNIDO statistical database.

9. The role of manufacturing as an engine of growth was particularly important in developing and emerging industrial countries where MVA growth outpaced GDP growth (see figure II). Sustained manufacturing activity over the past 20 years resulted by 2013 in a rate of growth of MVA that is 25 per cent higher than that of GDP. This trend was underpinned by the emergence of new fast-growing industries characterized by higher value added and productivity as well as increasing returns to scale.[11]

[10] With effect from 2013, new country groups are used in all UNIDO statistical publications. The details on the country groups are available in *International Yearbook of Industrial Statistics 2013*.

[11] Unless otherwise stated, all data provided in the present report have been obtained from UNIDO statistical databases or products, including the *International Yearbook of Industrial Statistics* (Cheltenham, United Kingdom, Edward Elgar Publishing, 2014).

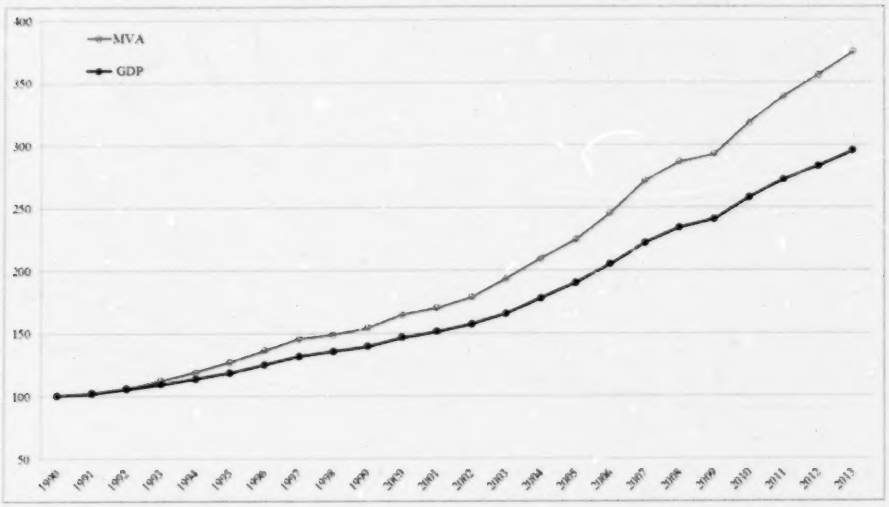
10. Rapid and sustained manufacturing growth has been a major source of poverty reduction in developing and emerging industrial countries through employment creation and income generation. Between 1990 and 2009, around 120 million jobs were created in manufacturing and its related services. Globally, manufacturing accounted for 471 million jobs in 2009, and increased to an estimated 500 million jobs in manufacturing and related services by 2013.[12]

11. Growing manufacturing employment has been accompanied by improvements in skills, working conditions and wages of the labour force. Workers have generally become more productive and opportunities for female employment have expanded significantly.

Figure II

Economic and industrial growth trends of developing and emerging industrial economies at constant 2005 prices

(Constant 2005 United States dollars; 1990 = 100)



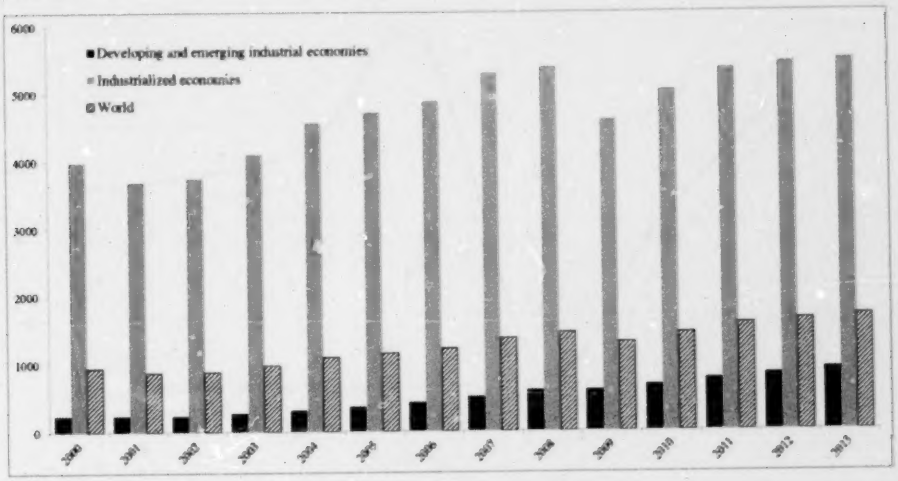
Source: UNIDO statistical database.

12. The further potential of industrialization in economic "catching-up" can be illustrated in the MVA per capita trends (see figure III). World MVA per capita was $1,697 in 2013, with the group of industrial economies enjoying an MVA per capita equal to $5,483, in contrast to the $917 of developing and emerging industrial economies. One hundred developing countries had an MVA per capita below the 2013 median of $397. Despite the trebling of MVA per capita in developing and emerging industrial economies since 1990, these countries still remain at about half of the world MVA per capita average and only one sixth of the MVA per capita of industrialized economies. While closing this gap will be no easy feat, the experience of recently industrializing countries suggests that the time lags faced by developing countries in reducing existing disparities and structurally transforming their

[12] UNIDO, *Industrial Development Report 2013: Sustaining Employment Growth: The Role of Manufacturing and Structural Change* (Vienna, 2013).

economies have been getting shorter, especially in the case of late-industrializers where active industrial strategies and policies were pursued.

Figure III
MVA per capita, by country group, 2000-2013
(United States dollars)

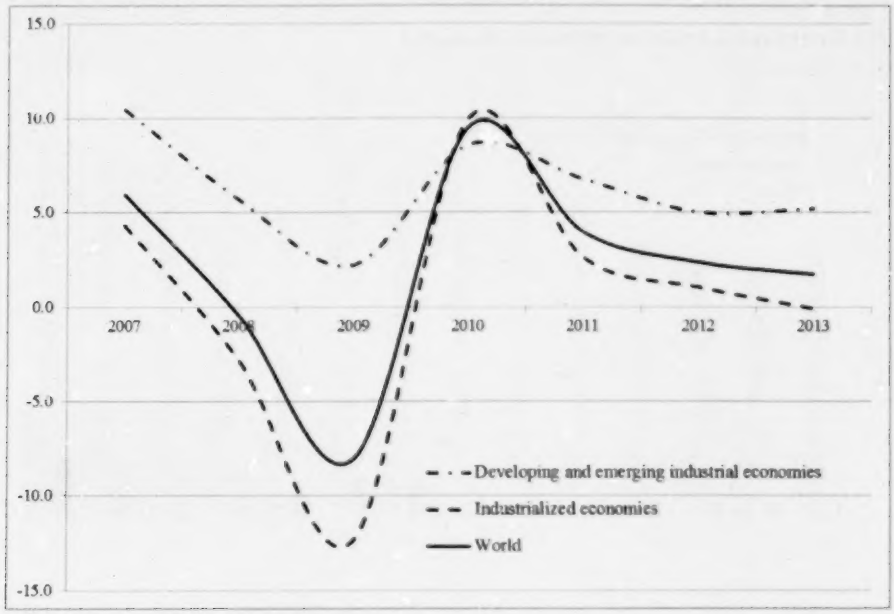


Source: UNIDO statistical database.

13. Figure IV illustrates the year-to-year trend of world MVA growth. MVA began to decline in 2008 and reached a lowest point in 2009. The global crisis strongly impacted industrialized economies, with MVA declining by about 13 per cent. MVA of developing countries slowed but stabilized at around a 5 per cent growth rate per year. Global MVA growth rates have still not recovered to pre-crisis levels.

14. MVA growth rates in 2010 suggested the beginning of a significant recovery in manufacturing industry, only to be quashed in 2011 by a return to sluggish growth. Not only were developed countries significantly affected by a re-emerging recession, especially in European countries, but developing countries also felt the effects of continuing instability in world financial markets and falling commodity prices. With the economic recession in industrialized countries lasting longer than expected, global MVA grew by only 1.7 per cent in 2013 (see figure IV).

Figure IV
Annual growth of world MVA, by country group, 2007-2013
(Percentage)



Source: UNIDO statistical database.

15. Figure V shows the relative resilience of manufacturing in developing and emerging industrial countries, which has so far shielded many people from the effects of the financial and economic crises, including the recently observed drop in overseas development assistance. Developing and emerging industrial countries now account for 35 per cent of world MVA, the highest observed to date.

16. There are three main factors explaining why developing and emerging industrial countries have increased their MVA share and generally maintained their economic growth rates so far:

(a) Manufacturers in industrialized countries have tended to outsource production activities to developing countries, resulting in the physical transfer of plants and production from industrialized to developing countries;

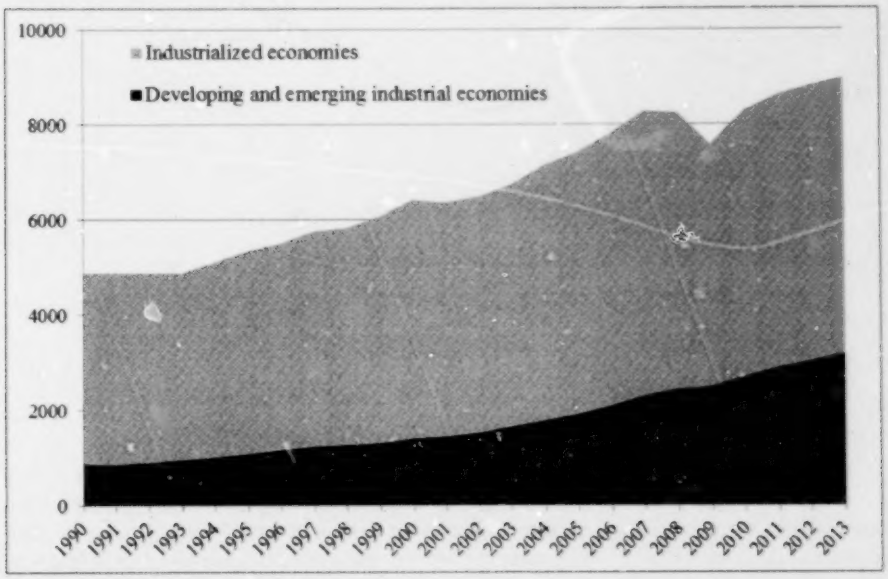
(b) Industrialized economies have shifted towards the provision of services, which have generally proven more vulnerable to the effects of the financial and economic crises;

(c) Developing and emerging industrial countries are less dependent on the financial sector, which accounts for up to 30 per cent of GDP in some industrialized countries. In developing and emerging industrial countries, the financial sector occupies a much smaller share and generally plays a supporting role in the economy. Therefore, the ongoing financial crisis has tended to have a more severe impact on industrialized countries than on the economies of developing and emerging industrial countries.

17. On a geographical basis, the Asia-Pacific region accounts for 70 per cent of MVA in developing and emerging industrial countries, or $3,852 billion in 2013, and is thus the largest manufacturing region by far. In contrast, MVA for sub-Saharan Africa remains very low, accounting for only 0.5 per cent of MVA in developing and emerging industrial countries.

18. There also continues to be great variance across developing and emerging industrial countries. China and India have seen the largest surge in terms of share of MVA in the past two decades, with China's share of developing and emerging industrial country MVA increasing from 15.7 per cent in 1990 to 50.4 per cent currently. With a share of 17.6 per cent of global MVA in 2013, China now ranks as the second largest manufacturer after the United States (with 19.1 per cent). India, with an economy focused more on services, has increased its share of global MVA to 2.3 per cent.

Figure V
Manufacturing value added, 1990-2013
(At 2005 constant United States dollars)



Source: UNIDO statistical database.

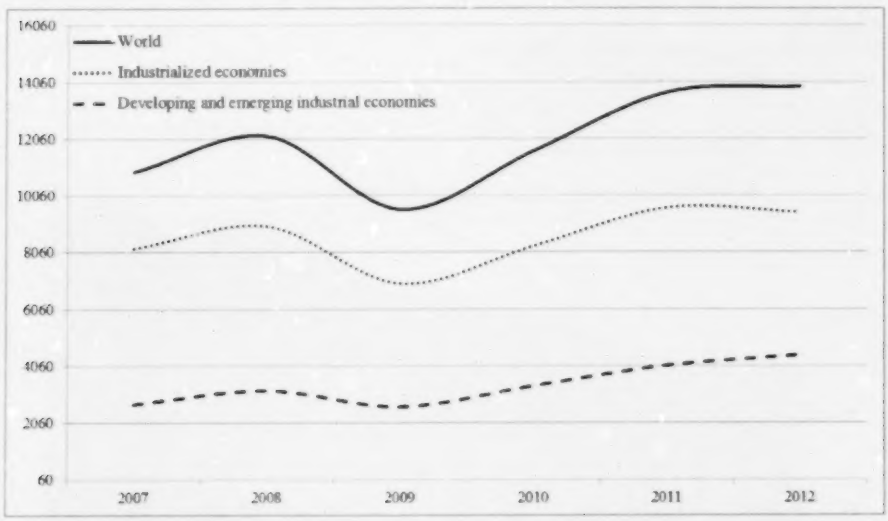
19. A significant feature of the current state of manufacturing is the increased use of international production networks to carry out different stages of the production process across borders, made possible by large scales of production, advances in technology (especially in respect of microelectronics) and affordable transport costs.

20. The result of this production sharing has been a larger increase in trade than the corresponding increase in MVA. In 2012, world manufactured exports peaked at an estimated $13,887 billion, growing faster than MVA and GDP during 2008-2012.

21. Industrialized economies account for the bulk of the world's manufactured exports, but developing and emerging industrial countries have been increasing their

world share since the 1990s. Manufactured exports from industrialized countries grew by only 1.3 per cent annually during 2008-2012, reaching $9,456 billion in 2012, as they struggled to recover from the dip in economic activity brought about by the financial crisis in 2008. Manufactured exports from developing and emerging industrial countries grew by 8.6 per cent annually over the same period, to an estimated peak of $4,431 billion in 2012. The higher long-term dynamism of developing markets is also reflected in the increase in their share in world manufactured exports, from 14 per cent in 1997 to 32 per cent in 2012, owing mainly to the expansion in exports from large developing and emerging industrial markets such as China and India (see figure VI).

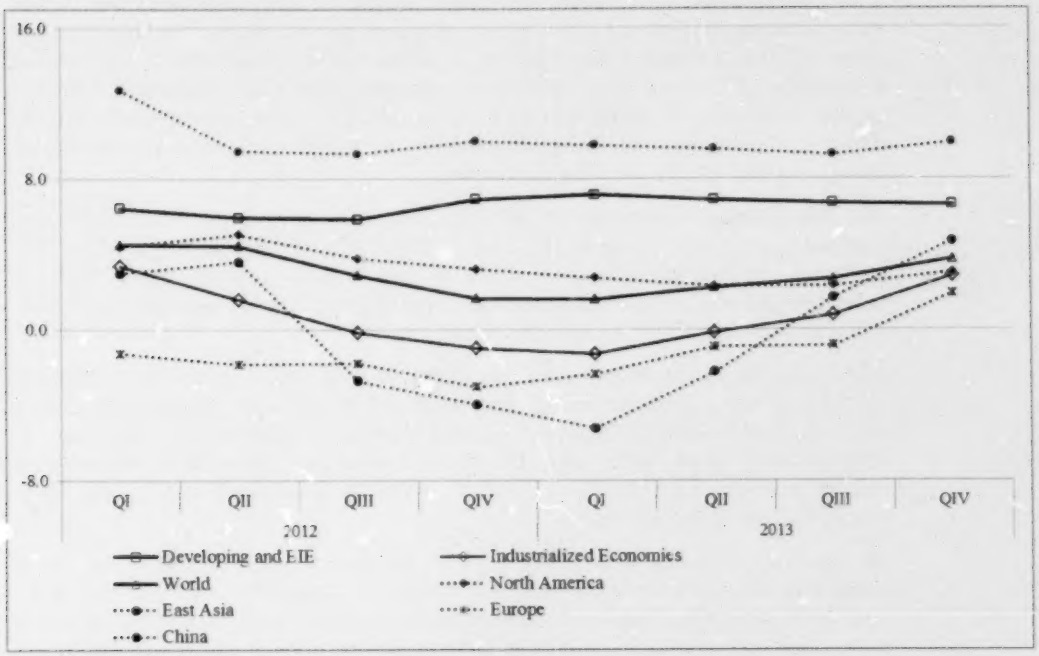
Figure VI
World manufacturing exports, by country group, 2007-2012
(Billions of United States dollars)



Source: UNIDO statistical database.

22. Figure VII shows how different dynamics hold sway in different groups of countries in the short run. World manufacturing output grew by merely 1.6 per cent in the first quarter of 2013. This was the lowest growth rate since the fourth quarter of 2009 amid the deepening economic recession in Europe and weakened growth in other industrialized countries. However, the global manufacturing growth figures have been consistently rising since the first quarter of 2013 and the current growth rate is the highest of the past three years. World manufacturing gained further strength in the fourth quarter of 2013 as a result of the continuing economic recovery of industrialized countries.

Figure VII
Quarterly growth trends of major country groups, 2012 and 2013
(Percentage, compared with same period of previous year)



Source: UNIDO statistical database.
Abbreviation: EIE, emerging industrialized economies.

23. In the fourth quarter 2013, and for the first time since 2010, manufacturing output grew in all industrialized country groups. Steady growth of manufacturing output for the fourth quarter of 2013 in major European economies led to positive growth in the whole region while the industrial growth rates between the eurozone countries and Europe in its entirety began to converge. MVA growth in North America, accounted for mainly by Canada and the United States, which had slowed down for five quarters, also began to accelerate. MVA growth rates in East Asia, driven by Japan, were the highest of the industrialized world, following increases in household consumer spending and the drop in the value of the yen against the United States dollar. Growth rates in this region have been improving over the past four quarters.

24. Despite the relatively higher growth rates of manufacturing output observed in developing and emerging industrial economies, the pace slowed slightly throughout 2013. There is growing concern that these economies might have been caught in a slow growth trap as a consequence of the prolonged recession in industrialized countries. The major external and internal risks posed to the industrial growth of these economies are the possibility of reversal of capital flows and a rise in the cost of production, respectively. Industrial performance in China seems to have been the principal driver of these trends, particularly in the second and third quarters, when its MVA growth also showed signs of slowing down.

C. Conclusions on recent trends in industrial development

25. The global manufacturing landscape has changed dramatically in recent years, with the financial crisis being the main trigger of this transformation. World manufacturing has entered a new phase of steady growth, from a prolonged period of recession that caused a sharp decline in production in industrialized countries and a significant slowdown in developing and emerging industrial economies. Industrial growth figures in the fourth quarter of 2013 indicate a boost in the manufacturing sector of developing and emerging industrial countries. Growth is also becoming more sustained in industrialized economies.

26. Early signs of recovery in industrialized economies appeared in 2013, and gradually took hold towards the end of 2013. Recent figures suggest that the prospects of sustained global industrial growth in coming years both in industrialized and in developing and emerging industrial economies are favourable, although there are still risks of a downturn.

27. Industrialized economies are beginning to pull out of recession. Consumer confidence seems to be returning, increasing the demand for manufactured goods such as food, clothing, automobiles and consumer electronics. Investment in infrastructure, which drives basic industries, is also picking up. Low interest rates and an accommodating monetary policy across the developed world seem to be finally beginning to yield results.

28. In recent years, manufacturing in developing and emerging industrial economies has also undergone important structural changes that are beneficial in the long term. Apart from low- and medium-tech industries, those economies have also maintained high growth in more high-tech production of chemical goods, machinery and equipment, electric and electronic appliances and motor vehicles, both for domestic markets and export. This trend has significantly improved the industrial performance of developing countries in terms of productivity and competitiveness.

29. The positive relationship linking MVA and GDP in developing countries continues to attest to the importance of industrial transformation as the main engine of economic growth. In the Asia-Pacific region in particular, manufacturing remains a major source of overall economic growth. However, the growth trend for developing and emerging industrial economies masks acute disparities between the various developing regions and countries.

30. The significance of industry for inclusive and sustainable economic growth remains undeniable. Besides its contribution to production, exports, income, employment and poverty reduction, manufacturing significantly contributes to innovation. A robust industrial export base helps countries to recover from recessions faster than those lacking equivalent manufacturing sectors.

31. Challenges remain, however, regarding how those clear benefits can be made even more inclusive, in terms of a more equitable distribution across groups, countries and regions. In addition, manufacturing must be environmentally sustainable. Hence, another major challenge is to address issues such as access to clean energy, resource efficiency and the adoption of production processes that have a minimal impact on the environment.

II. Industry and the development agenda beyond 2015

32. Against the trends in the current industrial landscape, and recognizing the universal sustainable development needs and aspirations in the era beyond 2015, the present section will discuss the positive relationship between industrialization and several key social and environmental issues and elaborate the link between industrialization, infrastructure and innovation.

A. Inclusive and sustainable industrial development

33. As the period set for the Millennium Development Goals draws to an end, the attention of the international community has turned to the post-2015 development agenda, which will apply new approaches with a view to accelerating progress and paving the way for a more ambitious, inclusive and universal development framework.

34. Recent experiences of human suffering and development setbacks, in particular owing to the lingering after-effects of the global financial and economic crises, as well as the increasingly frequent natural disasters, have brought into renewed focus the relationship between economic growth, environmental safeguards and inclusive development. There is a growing recognition that the structural transformation of economies and industries — building additional efficient and effective productive capacity, supporting economic diversification and building green industries — is key for creating the growth rates, jobs and economic structures needed to achieve shared prosperity for all women and men within an environmentally sustainable framework, in developing and developed countries alike.

35. Smart patterns of industrialization and international industrial cooperation thus provide opportunities for people to escape from poverty, to engage in productive activities for continuously accumulating skills and to simultaneously improve the environmental and social safeguards in their regions and societies. This development pattern has been defined as inclusive and sustainable industrial development.

36. Experiences from the past have shown that shared prosperity and inclusiveness was in most cases based on progress made in absorbing the labour force more effectively into higher-income industrial jobs. As shown in section I.B above, manufacturing industries and their related services sectors can provide opportunities to large numbers of workers, provide them with stable jobs and good benefits and increase the prosperity and well-being of their families and communities.[12] For example, efficient agro-industry enhances economic stability for rural households, increases food security and promotes innovation throughout industrial value chains. Similarly, locally operating pharmaceutical and medical equipment industries are key to improving the access to and quality of health services and to increasing the number of decent jobs in this important growth sector. Moreover, manufacturing is particularly effective in fostering jobs for women, with a higher share (33 per cent) than in agriculture (28 per cent) and non-manufacturing areas (9 per cent).[12]

37. International industrial cooperation and trade also support the diffusion of best practices and standards, both in production methods and product design, and provide opportunities for better access to modern technologies and cross-border learning.

Industry plays an important role in increasing the ability of countries to constantly generate new activities based on upgrading to higher levels of value addition, higher productivity or higher returns to scale, in order to sustain stable jobs and increase prosperity for a growing share of the population.

38. According to the former Chief Economist of the World Bank, Justin Lin, such international industrial cooperation can enable less-developed countries to follow their more successful neighbours, emulating a "flying geese pattern" where they benefit from the leaders' "tailwind" as they first industrialize and then become advanced countries themselves. Large and dynamic emerging market economies thereby offer unprecedented opportunities for other developing countries to jump-start their own industrialization processes. China can be seen as an example for this, with the potential to relocate millions of manufacturing jobs and offer industrial investments worth billions of dollars to developing countries in the coming decades.[13]

39. In view of these new opportunities, governments will need to learn how best to identify tradable industries, introduce consistent industrial policies, fill necessary infrastructure gaps and help private firms — and small and medium-sized enterprises in particular — to resolve information, coordination, financing and externality issues linked to technological upgrading and to gaining access to global value chains. This may also require large-scale imports of capital equipment and technological know-how from advanced economies, thereby also benefitting their advanced industrial sectors.

40. Achieving further improvements in the industrial productivity of developing countries will also necessitate a larger pool of industrial human resources. Education has progressed continuously, and the strikingly higher attainments of secondary and tertiary education might result in larger numbers in skilled labour and increase the share of young people in decent jobs. However, mismatches between the skills offered and the needs of industry still significantly limit employment opportunities and increase costs, leading to slower reallocation of resources across sectors away from agriculture into higher-productivity manufacturing and services.[14] Education policies should therefore benefit from sound industrialization strategies and address the issue of coherence between investment in skills and technological needs in the economy, especially in tertiary education and vocational training.

41. Of course, any progress in reaching higher levels of prosperity is short-lived if the necessary economic growth is not achieved within an environmentally sustainable framework. However, the primary question cannot be to choose between industrial growth or sustainability. It is the transformation in production processes, infrastructure and business models — going hand-in-hand with the right choice of technologies — that will present the solutions to the daunting environmental challenges of our times and enable the achievement of both growth and sustainability.

42. Cleaner and more resource-efficient production methods can gradually lead to a decoupling of economic growth from environmental degradation. In this context, the drive for innovation and process optimization — reducing the wastage of costly

[13] Justin Lin, "Industrialization's second golden age", Project Syndicate, 2012.

[14] OECD, *Perspectives on Global Development 2014: Boosting Productivity to Meet the Middle-Income Challenge* (Paris, OECD Publishing, 2014).

resources and thus increasing economic competitiveness — is an important means of developing the solutions necessary to realize cleaner production, efficient resource management and a reduction of waste and pollution.

43. Energy efficiency in industry plays a particularly important role in this context, as energy inputs represent an important cost of production in all industries. Clean energy sources and energy efficiency measures are thus core determinants for future economic competitiveness and sustained industrial growth.

44. However, sustainability in industry cannot be driven at the firm level alone, and governments need to adjust their industrial policies — at the municipal, regional and national levels — by considering suitable environmental safeguards, including waste management, water purification and pollution control measures. "Green industries" can be promoted to deliver important environmental goods and services, thus not only contributing to environmental sustainability but also providing additional opportunities for further structural diversification, jobs, income and prosperity.

45. To achieve inclusive and sustainable industrial development, institutional infrastructure needs to be built, strengthened and made capable of designing, implementing and monitoring industrial policies that promote and encourage modern patterns of private sector development. Any successful long-term strategy and sound industrial policymaking will also need to ensure an overall framework of stable economic, legal and political conditions and create incentives to invest in the education and entrepreneurial skills necessary for the industries of the twenty-first century.

46. Transforming industries towards an inclusive and sustainable direction in all countries will also build the basis for a long-term solution in the global struggle around financing for development and unleash national resources for advancing prosperity for all.

B. Resilient infrastructure and industrialization

47. Ensuring inclusive and sustainable industrialization processes requires major investments in resilient infrastructure, including broadband networks and other information and communications technologies; energy technologies; piped water supply, sanitation and sewerage, as well as solid waste management and recycling systems; major irrigation and drainage systems; transport infrastructure; environmental technologies; health systems; and facilities for education and skills development.

48. Resilient economic infrastructure improves productivity and reduces the costs of existing and new productive activity. The availability of infrastructure helps to attract investment, deepen markets and generate agglomeration economies by attracting productive capacity to a specific location. Energy, water, roads and communications facilities, if located where disadvantaged groups are situated and when affordable access is addressed, will have a direct impact on reducing inequality and making growth more inclusive. Gender-responsive and tailored health and social infrastructure, for example, can improve the security of women and girls and help their free movement and education. Proximity between industrial sites and jobs,

residential locations and infrastructure, especially in disadvantaged areas, contributes to narrowing spatial disparity and improving economic opportunities for all.[15]

49. Moreover, infrastructure investments are a major contributor to economic growth in many countries. They can be a useful policy instrument for anti-cyclical economic interventions, creating jobs in the short run through an increased demand for materials and labour, and in the long run through demand for related service industries and maintenance works. In fact, the World Bank estimates that nearly half of the acceleration of economic growth in sub-Saharan Africa in 2001-2005 was a result of infrastructure investments. Some of these investments also clearly improved the business environment for industry and spurred subsequent industrialization activities.

50. However, the long-term effectiveness of infrastructure investments depends on the development of comprehensive industrial policy solutions. These should also increasingly attract private capital investors to major infrastructure projects for industry. By doing so, the power and dynamism of the private market is expected to further improve the allocation of capital and promote transparency, thus increase the resilience of the infrastructure projects undertaken.[16]

C. Innovation, technology exchange and knowledge networks

51. In the face of the rapidly changing global industrial landscape and increasing inequalities, the findings of the Nobel laureate economist, Robert Solow, should be revisited; he argued that rising incomes are largely not attributed to mere capital accumulation but to technological progress and innovation. Still, innovation remains a dispersed phenomenon, where many obstacles remain for developing countries. Therefore, a better understanding and appreciation of the local dynamics of innovation could clearly contribute to unleashing new sources of growth, competitiveness and job creation. Opportunities for new innovation-based growth can be found in many industries, but the optimization of the interplay of institutions in the interactive processes involved in the creation, application and diffusion of knowledge, human capital and technology will remain the critical challenge for governments.[17]

52. While such innovative power is one of the central virtues of a market-based system, governments should support these forces through smart industrial policies with a long-run innovation and learning perspective. Industrial policies can help "infant industries" to grow through technological adaptation and learning, also providing spillover effects into other related sectors and industries. In this context, it is important to note that the core of such industrial policies is not to "pick specific winners" in the market but rather to identify positive externalities, that is, industries and sectors where learning might generate benefits elsewhere in the economy.[18]

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[15] Open Working Group Technical Support Team Issues Brief 5, "Sustained and inclusive economic growth, infrastructure development, and industrialization", 2013.

[16] Justin Lin and Kevin Lu, "Infrastructure's class of its own", Project Syndicate, 2014.

[17] Cornell University, INSEAD and World Intellectual Property Organization, *The Global Innovation Index 2013: The Local Dynamics of Innovation* (Geneva, Ithaca and Fontainbleau, 2013).

[18] Joseph Stiglitz, "Creating a learning society", Project Syndicate, 2014.

53. However, no economy can grow sustainably in isolation, and interrelations and connectedness are necessary for innovation that unleashes productive forces for the benefit of all. The current global industrial landscape has evolved into a highly diversified and multipolar system of economies, industries and institutions. Innovation policies therefore need to take into consideration how to increase industrial learning through regional and global knowledge networks.[19] To innovate through the adoption of existing knowledge and technology elsewhere in the world, and gradually through domestic technological capabilities, is a major policy objective in this context. Developing countries often have significant room for technological catch-up compared with advanced countries and can make effective use of technology transfer mechanisms, including technology licensing and foreign education, among others. Countries also need to create new products, processes and services that are better suited to their individual needs and to develop their own frontier-shifting innovations for creating competitive edges.[14] One major way to advance in this area is through the integration into national and global knowledge and innovation networks.

54. Vibrant knowledge networks consist of a living ecology of institutions, which perpetually provide new knowledge and opportunities and which continuously enhance socioeconomic policymaking at all levels. Hence, the national and international connectedness of a country — as measured in the UNIDO Connectedness Index — can be a good indicator for its ability to benefit from such dynamic knowledge and technology sources. To advance such connectedness, governments will need to consider investments into related institutional infrastructures and into systems that allow industries and public institutions alike to diffuse and transfer knowledge, technology and investments with the objective of achieving a perpetually learning society.[20]

55. The current processes of industrialization also continue to take place against, and perhaps owing to, large shifts in the spatial distribution of people. In 2009, 50 per cent of the global population was living in cities. Urbanization is posing both challenges and opportunities, with some cities growing at rapid and unmanageable rates, resulting in expanding slum areas with inadequate urban infrastructure. Yet, where properly governed and planned, spatial inclusion can be achieved as the concentration of people allows for more efficient provision of services and easier communication and knowledge exchange.[15] Such urban innovation power requires investments into the framework conditions that allow for new thinking, welcomes participation and reduces obstacles that deepen the inequality of opportunities among different groups of society. Innovation boosts can also be achieved through smart industrial policies that provide spaces in urban and semi-urban areas, allowing industries to cluster, thus fostering a basis for inter-industrial knowledge exchange and technology learning. Such industrial parks can stimulate productivity, innovation and the growth of local industries and also increase foreign direct investments and related technology exchange with globally more advanced economies.[12]

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[19] UNIDO, *Networks for Prosperity 2012: Connecting Development Knowledge beyond 2015* (Vienna, 2012).

[20] UNIDO, *Networks for Prosperity 2013: Partnering for Inclusive and Sustainable Industrial Development* (Vienna, 2013).

56. For achieving the ultimate goal of full eradication of poverty, shared prosperity and environmental sustainability, policymakers in all countries will need to reflect on policies that are directed towards inclusive and sustainable industrial development and invest to infrastructure, networks, institutions and people that advance industrial productivity and innovation throughout the world.

III. Response of the United Nations Industrial Development Organization

A. Introduction

57. Based on the Lima Declaration, UNIDO aims to achieve inclusive and sustainable industrial development for its Member States.

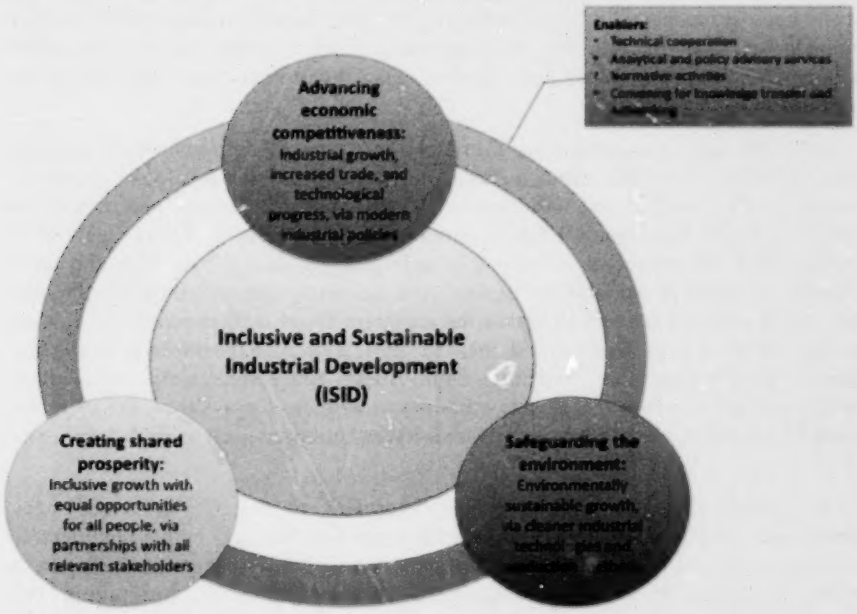
58. The Organization aligns itself with all relevant United Nations system-wide initiatives and coordination mechanisms at the global, regional and local levels, including all those emanating from General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system. Working partnerships are established with most sister organizations of the system, including the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development, the International Labour Organization, the International Trade Centre (ITC), the United Nations Conference on Trade and Development, the United Nations Development Programme, the United Nations Environment Programme (UNEP), the United Nations Educational, Scientific and Cultural Organization, the United Nations Human Settlements Programme (UN-Habitat), the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), the World Tourism Organization, WIPO, the World Trade Organization and the institutions of the World Bank Group. Moreover, UNIDO has extensively engaged with a number of regional development banks, regional economic and political organizations and OECD.

59. Successfully implementing inclusive and sustainable industrial development in our current era of globalization requires approaches that harness globally available knowledge, technology and innovation. Multi-stakeholder partnerships and diverse sources of expertise and resources are therefore a major pillar for successful UNIDO programmes, facilitating the transformation towards inclusive and sustainable industrial development. To that end, UNIDO has multiplied its collaboration with a variety of international players, including the private sector, non-governmental organizations and academia.

B. Programmatic focus

60. The role of UNIDO, in the light of the recently renewed mandate in the Lima Declaration and the overarching development agenda for the United Nations system, is illustrated in figure VIII below. The figure provides a holistic view of the interrelationships between different mutually supporting aspects of industrialization, each related to a different dimension of sustainable development. Development outcomes and impacts are achieved through four enablers: technical cooperation; analytical and policy advisory services; normative activities; and convening for knowledge transfer and knowledge networking (see General Assembly resolution 65/175, para. 22).

Figure VIII
Role of UNIDO in the global development landscape


Enablers:
Technical cooperation
Analytical and policy advisory services
Normative activities
Convening for knowledge transfer and networking
Advancing economic competitiveness: Industrial growth, increased trade, and technological progress, via modern industrial policies
Inclusive and Sustainable Industrial Development (ISID)
Creating shared prosperity: Inclusive growth with equal opportunities for all people, via partnerships with all relevant stakeholders
Safeguarding the environment: Environmentally sustainable growth, via cleaner industrial technologies and production

61. The programmatic focus of UNIDO is designed to have a catalytic and transformative effect towards inclusive and sustainable industrial development in programme countries. Although specific programmes and activities may address one or more of the three dimensions to varying degrees, highlighting the complexity of the development process, taken together they are intended to provide a comprehensive and coherent set of services to address all three dimensions of sustainable development.

Creating shared prosperity

62. During the reporting period (2012-2014), the UNIDO technical cooperation programmes continued to focus on policies and structural change methodologies supporting small and medium-sized enterprises. This included programmes that created or maintained an enabling business environment for such enterprises as a necessary precondition for successful enterprise development; the continuation of the Africa Investment Promotion Agency Network, which builds the capacity of these agencies and supports their strategic planning efforts on the basis of up-to-date investor information; and the 25 subcontracting and partnership exchanges around the world, identifying subcontracting, joint venture and supply chain opportunities and facilitating matchmaking between local enterprises and foreign investors.

63. UNIDO also continued its programmes focused on more marginalized groups, including rural populations. The development of competitive agro-industries is crucial for enhancing the quality of and demand for agricultural products, as well as for creating employment and generating sustainable and inclusive business opportunities for the rural poor. To support developing countries, in particular least developed

countries, UNIDO continued to facilitate the strengthening of agro-industrial capacities and the technological upgrading along agro-industrial value chains, from the farm level to final consumption. In collaboration with FAO, as part of the Accelerated Agribusiness and Agro-industries Development Initiative, UNIDO further continued to focus particularly on supporting African countries in value-chain development, the promotion of agribusiness investment and agro-enterprise development.

64. UNIDO further expanded its programmes on youth employment. The often limited capacity of formal labour markets, particularly in least developed countries, necessitates the further strengthening of youth entrepreneurship and enterprise development. To that end, UNIDO continues to implement initiatives geared to increasing the employability of young people and providing them with the tools necessary to create sustainable enterprises and ultimately improve their livelihoods. A reform of school curricula to match the entrepreneurial skill needs in developing countries helps young women and men to start their own businesses or to find suitable employment in existing enterprises. Entrepreneurship curriculum programmes are currently being implemented in Angola, Cape Verde, the Gambia, Mozambique and the countries of the Manu River Union, as well as in Armenia and Iraq.

65. Programmes for the economic empowerment of women have also been strengthened, and women's integration into higher-skilled and better-remunerated productive activities remains a priority in many UNIDO interventions. In addition, a significant number of initiatives are geared towards improving opportunities for women and girls, and specifically include targeted training to advance technological capacities and entrepreneurial and business skills, as well as facilitation mechanisms for women entrepreneurs' access to finance. In Pakistan, a specific example for bridging the finance gap for women entrepreneurs is the establishment of business growth centres that facilitate credit access through the country's First Women's Bank.

66. Drawing on its research and statistical data on industrial development, UNIDO publications and working papers continued to be key sources of specialized knowledge for policymakers, practitioners, academics and other development organizations. The *Industrial Development Report 2013: Sustaining Employment Growth: The Role of Manufacturing and Structural Change* illustrates the linkages between the continuous upgrading of manufacturing industries and growth, productive employment and the efficient use of resources.

67. In June 2014, the first Global Forum on Inclusive and Sustainable Industrial Development set up a platform for member States to engage in a strategic dialogue on how to formulate, operationalize and implement strategies and policies for such development, drawing on international expertise, regional knowledge and international best practices. The Forum laid the foundation for a second global forum, to be held in November 2014, with a focus on more concrete mechanisms for the establishment and management of industrial parks. In the future, the forums will also serve as a global platform for multi-stakeholder partnerships, programme identification and development financing.

68. UNIDO continued its rapid growth in the establishment of business partnerships for inclusive and sustainable industrial development. Moreover, UNIDO co-led, with the Global Compact, the global consultations of the United

Nations Development Group on the topic "Engaging with the private sector in the post-2015 agenda". The round of dialogues is intended to deliberate on this issue and inform the various processes related to the definition of the post-2015 development framework.

69. South-South and triangular cooperation remained an important pillar of UNIDO programmes, with dedicated centres for South-South industrial cooperation in India and China and a recently established training facility on food quality and safety in China. UNIDO also convenes and facilitates knowledge networks and platforms that showcase good practices and solutions. In this context, UNIDO also facilitated the High-level Conference of Middle-Income Countries, which was organized in June 2013 by the Government of Costa Rica, in San Jose.

70. One core institution in this context is the UNIDO Institute for Capacity Development, offering training on key issues related to inclusive and sustainable industrialization policies. Major training activities during the reporting period included courses on the future of manufacturing, human settlements and challenges for sustainability, sustainable energy solutions, green industries, trade capacity-building and the economic empowerment of women. The Institute serves as a catalyst for innovative solutions, ideas and partnerships and provides a global learning platform and knowledge network to that end.

71. Closely linked to this, UNIDO continued its *Networks for Prosperity* initiative, which provides recommendations on leveraging the role of knowledge networks and innovation policies in industry. During the reporting period, two reports were published, covering the role of knowledge networks in the post-2015 development agenda and the importance of partnerships for inclusive and sustainable industrial development. The reports also contain an annual global connectedness index that provides insights into the ability of countries for linking themselves into global knowledge, policy and industry networks in order to benefit from such decentralized sources of know-how and technology.

Advancing economic competitiveness

72. The dynamic nature of inclusive and sustainable industrial development necessitates sustained and continuous action at the policy level. UNIDO therefore further expanded its industrial policy advisory services. Several policy tools, including the Structural Change and Industrial Diagnosis Approach, allow a country to better determine its comparative advantage, on the basis of its unique industrial characteristics and structure. In addition, the UNIDO Computer Model for Feasibility Analysis and Reporting continued to provide a methodology for high-quality pre-investment project appraisal and feasibility analysis, facilitating short- and long-term analysis of financial and economic consequences for industrial and non-industrial projects.

73. Technical cooperation programmes in business development, investment facilitation and technology transfer supported institutional capacity-building initiatives to promote private sector development and improve the competitiveness of businesses, mobilize investments and facilitate access to suitable technologies for developing countries. Programmes in this area also supported the upgrading of industrial enterprises and technical support institutions, including active policy advice and technology promotion through the UNIDO network of investment and technology promotion offices. Also, UNIDO advanced a major partnership with the

African Union to accelerate the implementation of the Pharmaceutical Manufacturing Plan for Africa.

74. Enhancing the trade capacities of countries, allowing them to increasingly participate in regional and global trade networks, is a crucial factor for successful industrialization. During the reporting period, UNIDO issued several major policy resource publications, including the 2013 edition of the *Trade Capacity-Building Resource Guide* and the second edition of the report *Meeting Standards, Winning Markets — Trade Standards Compliance*. These policy tools provide an in-depth analysis of technical assistance services and cooperation mechanisms in the area of trade capacity-building, as well as the international trade and compliance challenges for developing countries. In addition, UNIDO continued to assist countries in upgrading their industrial processes in sectors with a high export potential to internationally acceptable standards and market requirements and to formulate local and national policies and strategies aimed at improving industrial competitiveness and overcoming technical barriers to trade. Programmes also developed capacities in national conformity assessment bodies to perform internationally recognized product testing and calibration. As a member of the Network on Metrology, Accreditation and Standardization for Developing Countries, UNIDO co-hosts the secretariat of the Network for the 2014-2015 term, along with ITC. Recent examples of trade-related programmes include a major project to boost the competitiveness of the non-oil sector in Nigeria; a programme in Haiti to set up the Bureau of Standards and Metrology; and upgrading programmes for testing laboratories in Cambodia, Haiti, Nepal and Viet Nam.

75. Compliance with food security standards and sanitary agreements is key to helping food industries broaden their access to world markets. Therefore, UNIDO continues to assist in implementing good hygiene practices and introducing food-safety systems, based on risk analysis, prevention and traceability in agro-industrial value chains. In this context, UNIDO hosted the first meeting of the Technical Working Group of the Global Food Safety Partnership, in 2013. Further to its efforts towards strengthening sanitary controls for international and regional trade, UNIDO, in cooperation with the European Commission, has established a food safety alert rapid response facility on a pilot basis in the Gambia, Ghana, Guinea, Sierra Leone and Togo.

Safeguarding the environment

76. Rethinking industrial processes towards environmentally sound production methods remained a major pillar of the UNIDO technical programmes throughout the reporting period. UNIDO programmes are aimed at advancing both (a) cleaner and more resource-efficient production methodologies and (b) a more systematic provision of environmental goods and services, including waste management and recycling services. At the core of this programme is the UNIDO-UNEP Resource Efficient and Cleaner Production Network, promoting the adaptation and adoption of resource-efficient and cleaner production in developing countries. This Network, covering more than 50 countries, fosters the exchange of experience and technological know-how. In 2013, UNIDO and the Network initiated a global review of achievements, good practices and lessons learned, with the purpose of further supporting countries with empirical data and recommendations on applicable sustainable industrial policy frameworks. UNIDO also strengthened its work in the

field of water management, in particular through its integrated methodology on the transfer of environmentally sound technology.

77. Through its Green Industry Platform, UNIDO created a global framework that brings together government, business and other key stakeholders with the purpose of further mobilizing, facilitating and mainstreaming support towards green industry commitments and concrete actions across all regions. In this context, in 2013, UNIDO organized the Green Industry Conference in Guangzhou, China, with a special focus on creating a circular economy through resource efficiency and effective environmental management and policies. The Platform facilitated the exchange of experiences and lessons learned between 700 participants on local and national green industry strategies. UNIDO also further contributed to the Partnership for Action on Green Economy, which supports 30 countries in building national green strategies rooted on clean technologies, resource-efficient infrastructure, green skilled labour and good governance.

78. Improving energy efficiency within industry is one of the most cost-effective measures to help supply-constrained developing and emerging countries in meeting their increasing energy demand and to loosen the link between economic growth and environmental degradation. UNIDO therefore continued its energy management, energy efficiency and renewable energy services, including innovative financial schemes. In complementing its role in the Sustainable Energy for All initiative, UNIDO also places a high value on its partnership with the Global Environment Facility, aimed at the creation of a growing number of platforms to promote clean technology innovations, boost the competitiveness of small and medium-sized enterprises, help to build national capacity for clean technologies and develop a supportive local entrepreneurial ecosystem. Programme examples include the Global Clean-Technology Programme for Small and Medium Enterprises, and the public-private partnership on motor-systems efficiency indicators, in cooperation with the Global Green Growth Institute. In 2013, the third Vienna Energy Forum, organized by UNIDO, promoted an energy goal for the post-2015 development agenda and underlined the importance of financing and partnership in ensuring sustainable energy.

79. Eco-industrial parks can foster rapid industrial development through the transfer and adaptation of technology, knowledge and skills, thereby promoting broader economic development. When matched with high standards for environmental and social responsibility, the application of resource-efficient production and the reuse of waste energy and materials, industrial parks can help to achieve forms of industrialization that deliver on social objectives while also safeguarding the environment. To this end, UNIDO has developed a multiprolonged approach to scale up and mainstream eco-industrial parks. Industrial parks have the potential to be a dynamic and powerful tool for inclusive and sustainable industrial development, and function as hubs for creating, disseminating and applying industrial knowledge while stimulating innovation.

80. The implementation of multilateral environmental agreements in many cases requires industrial transformation and technological upgrading. UNIDO, as one of the implementing agencies of the Montreal Protocol on Substances that Deplete the Ozone Layer, continued its successful support to developing countries in their implementation efforts. For example, in 2012, all countries receiving UNIDO support achieved the milestone of a consumption freeze at the baseline level of

hydrochlorofluorocarbons, hence advancing on the protection of the ozone layer and on climate change mitigation. The programmes also enable industries to achieve increased productivity and an improved economic performance in terms of lower operating costs, less maintenance and higher product quality. In 2013, UNIDO became one of the implementing agencies of the Climate and Clean Air Coalition to Reduce Short-Lived Climate Pollutants, and proposals were submitted to eliminate hydrofluorocarbons in industry. UNIDO also continues its programmes under the Stockholm Convention on Persistent Organic Pollutants, with more than 50 projects that assist countries in updating their national implementation plans.

IV. Conclusions and recommendations

81. UNIDO statistics demonstrate that the global industrial landscape has changed dramatically, with industrial growth figures in the fourth quarter of 2013 indicating a boost in the manufacturing sector of emerging industrial countries, and growth also becoming more sustained among industrialized markets.

82. Industry in developing countries has undergone major structural changes in recent years and it can be expected that these transformations will significantly benefit the industrial performance of those countries in terms of productivity and competitiveness in the medium and longer term.

83. The link between inclusive and sustainable industrialization and long-term economic, social and environmental goals in all countries remains undeniable, as do the mutually reinforcing interlinkages between industry, innovation and the development of resilient infrastructure. A robust industrial base helps countries to recover from recessions faster than those lacking equivalent manufacturing sectors.

84. Looking to the future, major efforts will need to be made to ensure the increased inclusiveness of the benefits of industrialization and to achieve a more equitable distribution of those benefits among women and men as well as across all groups, countries and regions. Similar efforts will also need to be made to ensure the environmental sustainability of industry through such measures as enhancing access to clean technologies, promoting energy and resource efficiency and reducing industry's environmental footprint.

85. In considering the development agenda beyond 2015, Member States should consider adopting a goal on inclusive and sustainable industrialization, resilient infrastructure and innovation.

86. Furthermore, technology transfer and knowledge networking should be supported as key means of achieving inclusive and sustainable industrialization. The Green Industry Platform, the Accelerated Agribusiness and Agro-Industry Development Initiative, the Institute for Capacity Development, the *Networks for Prosperity* initiative and the global forums on inclusive and sustainable industrial development could serve as valuable models in this regard.

87. In addition to its established programmes described in the present report, UNIDO will enhance its programmatic work and system-wide partnerships in

the area of resilient industrial infrastructure, including the building of related institutional infrastructure.

88. **UNIDO should strengthen its work in advancing industry-related innovation networks and systems, including urban and semi-urban industrial clusters and parks, and support Governments in addressing key determinants for future industrial growth and prosperity.**

89. **To support this programme of work effectively, UNIDO should further strengthen all four enablers: technical cooperation; analytical and policy advisory services; normative activities; and convening for knowledge transfer and networking.**

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Human resources management

Activities of the Ethics Office

Report of the Secretary-General

Summary

The present report is submitted pursuant to General Assembly resolution 60/254, entitled "Review of the efficiency of the administrative and financial functioning of the United Nations", in which the Assembly requested the Secretary-General to report annually on the activities of the Ethics Office and the implementation of ethics policies. The report also includes information on the activities of the Ethics Panel of the United Nations, as mandated by the Assembly in its resolution 63/250 on human resources management. It covers the period from 1 August 2013 to 31 July 2014.

* A/69/150.

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I. Introduction

1. The present report, the ninth since the establishment of the Ethics Office in January 2006, was prepared pursuant to paragraph 16 (i) of General Assembly resolution 60/254, in which the Assembly requested annual reporting on the activities of the Office and the implementation of ethics policies.

2. The report provides an overview and assessment of the activities of the Ethics Office from 1 August 2013 to 31 July 2014, pursuant to its mandate to foster an organizational culture informed by integrity, transparency, accountability and respect.

3. The Ethics Office provides direct services to United Nations staff at all levels. In the period under review, it received 924 requests for its services. Highlights of the reporting period include: responding to 476 confidential requests for ethics advice; managing the 2013 cycle of the financial disclosure programme, requiring review of 4,573 disclosure files; undertaking 152 outreach, training and education activities; administering the Secretariat's first-ever leadership dialogue; enhancing the coherent application of ethics among United Nations entities and advancing policy development; and receiving 55 matters relating to the Organization's protection against retaliation policy. In addition, the Office continued its work in several substantive areas to promote an ethical organizational culture, including highlighting ethical leadership, promoting understanding about ethical obligations, conducting ethical risk assessments and developing evaluative metrics.

4. The Ethics Office made significant progress in its detailed regulatory and policy reviews. In collaboration with other departments, it developed detailed recommendations to improve the effectiveness of the Secretariat's protection against retaliation policy. It also completed its internal assessment of the policies, practices and standards under which the financial disclosure programme operates, in order to enhance the detection and mitigation of personal conflicts of interest.

5. The report complies with General Assembly resolution 63/250 on human resources management, in which the Assembly requested the Secretary-General to include information on the activities of the Ethics Committee (currently the Ethics Panel of the United Nations).

II. Background and general information

6. The Ethics Office was established by the Secretary-General as an independent Secretariat entity upon approval of the General Assembly at the 2005 World Summit (see Assembly resolution 60/1, para. 161 (d)). Pursuant to Secretary-General's bulletins ST/SGB/2005/22 and ST/SGB/2007/11, the mandate of the Office includes:

(a) Administering the Organization's financial disclosure programme;

(b) Providing confidential advice and guidance to staff on ethical issues, including administering an ethics helpline;

(c) Administering the Organization's protection against retaliation policy;

(d) Developing standards, training and education on ethical issues, in coordination with the Office of Human Resources Management and other offices, as appropriate, and conducting ethics outreach;

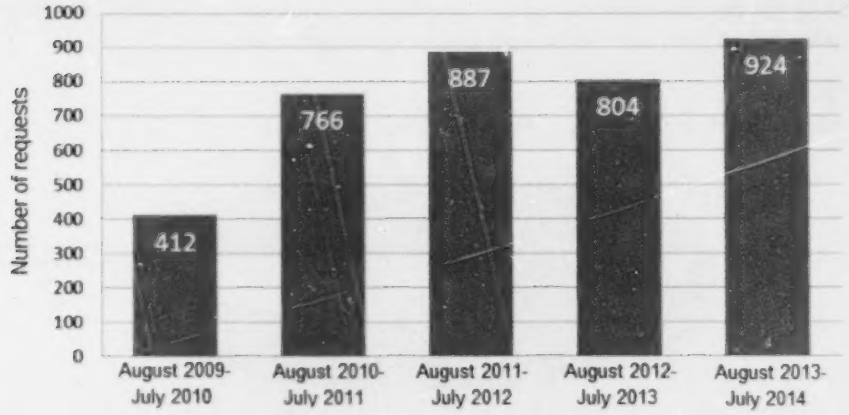
(e) Providing support for ethics standard-setting and promoting policy coherence among the Secretariat and the Organization's funds and programmes.

7. In undertaking its responsibilities, the Ethics Office provides assistance to the Secretary-General in ensuring that all staff members observe and perform their functions consistent with the highest standards of integrity required by the Charter of the United Nations.

8. From 1 August 2013 to 31 July 2014, the Ethics Office received 924 requests for its services, representing an increase of 15 per cent over the previous cycle and 4 per cent from 2011-2012 (see fig. I).

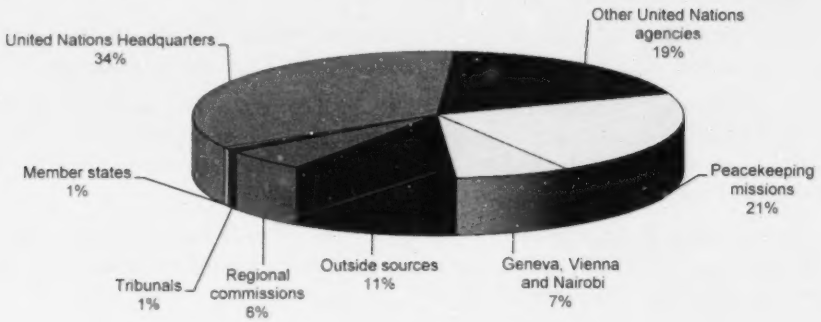
Figure I

Overall requests for Ethics Office services by reporting cycle, August 2009-July 2014



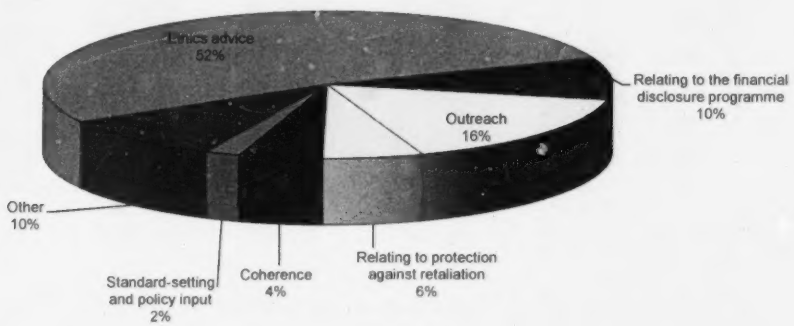
9. The Ethics Office regularly receives requests for its services from multiple locations and entities (see fig. II). Given that the Office is staffed solely in New York, concerted efforts are necessary to reach staff globally. In the period under review, the Office intensified its outreach efforts, as reflected in the increase in requests from missions and offices away from Headquarters.

Figure II
Service requests by source, 1 August 2013-31 July 2014



10. The Ethics Office responds to requests regarding general ethics advice, the financial disclosure programme, protection against retaliation, training and outreach, standard-setting and policy support. As shown in figure III, ethics advice, including relating to the financial disclosure programme, continues to account for most requests for services received (62 per cent in the current cycle).

Figure III
Service requests by category, 1 August 2013-31 July 2014



III. Activities of the Ethics Office

A. Advice and guidance

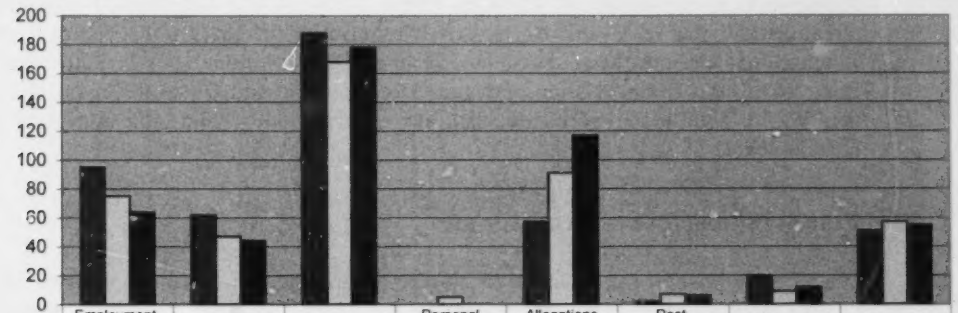
11. The Ethics Office serves as an independent, confidential and impartial entity dedicated to providing timely and high-quality advice to staff concerning the ethical obligations of international civil servants. This advisory function ensures that staff members understand their obligations as embodied in the Charter and in relevant regulations, rules and policies. In helping staff to make decisions consistent with the values and rules of the Organization, the Office helps to mitigate operational and reputational risk.

12. The Ethics Office provides advice to staff and managers in identifying and managing actual or potential conflicts of interest. Such conflicts are often personal in nature, but also may occur at the organizational level.

13. United Nations staff at all levels routinely contact the Ethics Office to obtain confidential advice and guidance on conflicts of interest and other ethical issues. In the current cycle, the Office received 476 requests for advice, an increase of 4 per cent over the previous cycle, and similar to the 2011-2012 cycle. Figure IV presents the major categories of requests for advice over the past three reporting periods.

14. The Ethics Office continues to experience an increase in requests for services that, upon further examination, constitute allegations of wrongdoing. While the Office is not mandated to receive allegations of wrongdoing other than retaliation, it does seek to understand the concerns presented and advise staff members on the options available to them to report and address perceived misconduct.

Figure IV
Requests for ethics advice by cycle, August 2011-July 2014



	Employment-related concerns	Gifts and hospitality	Outside activities	Personal investments and assets	Allegations of wrongdoing	Post-employment restrictions	Procurement ethics	Other conflict of interest
August 2011-July 2012	95	62	188	0	57	2	20	51
August 2012-July 2013	75	47	168	5	91	7	9	57
August 2013-July 2014	64	44	178	0	117	6	12	55

15. The Ethics Office continued to provide independent ethics advice to the Procurement Division of the Department of Management on issues relating to the integrity, anti-corruption and corporate compliance programmes of vendors seeking to do business with the United Nations. Those efforts focused primarily upon the suitability of external ethics and compliance experts retained by vendors to verify that the vendor has implemented business ethics, anti-corruption and compliance programmes that meet the expectations of the United Nations and whether the vendor's integrity initiatives provide sufficient assurance that the vendor has met United Nations expectations and requirements.

16. During the reporting period, the Ethics Office responded to queries from the Procurement Division concerning 12 vendors at various stages of the reinstatement process. Advice for each reinstatement matter requires multiple reviews and close liaison with other departments. The Office worked closely with the Division to provide advice on third-party due diligence, reputational risk, potential organizational and personal conflicts of interest and best practices in anti-corruption programmes. To that end, the Office undertook three new initiatives. First, it

proposed revisions to the expectations of the United Nations regarding ethics and compliance that vendors must satisfy to obtain reinstatement. Second, it proposed requirements concerning corporate compliance programmes to be included in requests for proposals for larger procurements. Third, it customized briefing sessions for chief procurement officers and prospective vendors.

17. The Ethics Office continued to provide independent advice to the Department of Management and the Department of Field Support with regard to the compliance monitorship for two critical service vendors that support peacekeeping. The monitorship establishes a contractual oversight mechanism through which the vendors may continue to provide services, provided that they and their employees comply strictly with United Nations expectations. The second year of the monitorship has been completed and recommendations made to the vendors by the monitors are being implemented.

18. The Ethics Office responded to requests from many United Nations entities for advice and guidance, information-sharing and policy-sharing and best practices. Those entities included the United Nations University, the United Nations Framework Convention on Climate Change, the World Intellectual Property Organization, the Food and Agriculture Organization of the United Nations, the International Civil Aviation Organization, the United Nations Human Settlements Programme, the United Nations Educational, Scientific and Cultural Organization, the World Health Organization and the International Fund for Agricultural Development.

B. Financial disclosure programme

19. The purpose of the financial disclosure programme is to identify, mitigate and resolve personal conflicts of interest. It is administered by the Ethics Office. Designated staff members, including all staff at the D-1 level and above, and those whose principal duties involve procurement and investment, are required to file annual disclosure statements. The review of the disclosures is outsourced to an independent external party.

20. During the 2013 annual filing cycle, beginning on 1 March 2013 and covering the financial disclosure reporting period from 1 January to 31 December 2012, a total of 4,573 filers participated in the programme, including 899 for the first time (19.6 per cent). This represented a decrease of 28 per cent from the 2012 cycle. As at the closing of the 2013 cycle, the programme had achieved a compliance rate of 99.9 per cent, which is parallel to that achieved for the 2012 filing cycle.

21. Filers who are staff of the Secretariat account for some 66 per cent of the total filer population. The 2013 compliance rate for Secretariat staff, including those located in peacekeeping and field missions, was 99.97 per cent (3,012 of 3,013 Secretariat staff were in compliance with the programme requirements), the highest overall compliance level for the Secretariat in the history of the programme. Of the three non-compliant filers in the total programme population, one is a Secretariat staff member and two are employed by other participating United Nations entities. They were referred either to the Office of Human Resources Management or to the sponsoring entities for appropriate action.

22. To facilitate compliance, the Ethics Office provided considerable substantive and technical support to staff, including with regard to accessing or navigating the system, and personalized advice regarding individual disclosure requirements. The Office responded to individual queries within 48 hours. For the 2013 filing cycle, the programme handled some 26,000 e-mails and a smaller number of communications via telephone, mail or office visits. Of that total, some 14,000 were handled directly by Office staff. The Office notified departmental focal points and respective heads of department regarding internal follow-up with those staff who had not completed their disclosure obligations by the designated deadlines. The measures were instrumental in ensuring that gaps in compliance were detected early and remedial measures promptly pursued. Similarly, the external reviewer followed up with a significant number of staff, sending and receiving an additional 12,000 e-mails during the filing year.

23. The verification of filer information for accuracy and completeness is an integral part of the financial disclosure programme. During the 2013 filing cycle, 228 filers were selected for verification through stratified random sampling. All verification participants submitted complete third-party and related documentation, thus continuing a positive compliance trend.

24. During the 2013 filing cycle, the programme's external reviewers identified 172 filers (3.8 per cent of the filer population) as having a total of 189 items or activities that required review for conflicts of interest, compared with 55 filers with a total of 67 items in the 2012 filing cycle. The increase may be attributed to the revised conflict tracking and management methodology, which provides a more consistent way of identifying and managing conflicts of interest at an early stage. Of those 189 items, 80 related to financial holdings, 43 to outside activities and 66 to family relationships. The programme's external reviewer, in consultation with the Ethics Office, issued individual recommendations aimed at mitigating and managing all actual and potential conflicts of interest.

25. In its resolution 63/250, the General Assembly endorsed a recommendation by the Advisory Committee on Administrative and Budgetary Questions that the Secretary-General provide data, by duty station, on the number of individuals covered by the programme, the number of individuals having complied with their filing obligations and the number of individuals having failed to comply with those obligations and the reasons therefor. Information concerning the 2013 financial disclosure programme by department or office may be found in the annex to the present report.

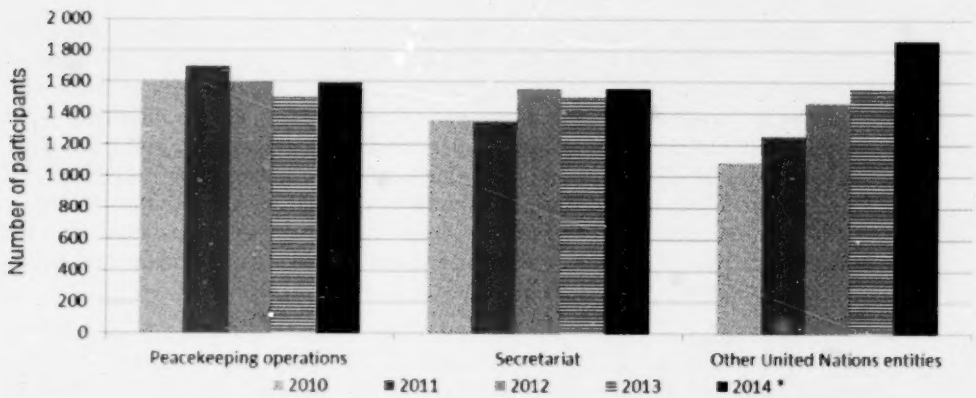
26. The voluntary public disclosure initiative is an annual exercise open to senior officials at the Assistant Secretary-General level and above who have fulfilled their confidential financial disclosure obligations under the programme. Signed voluntary disclosure forms are posted on the public website of the Secretary-General. Only those senior officials whose confidential financial disclosure forms are completed and closed are eligible to participate. By voluntarily making a public disclosure, senior officials demonstrate that they understand the importance of assuring the general public and Member States that they are not being influenced by any private interests in the discharge of their duties and responsibilities.

27. A total of 153 senior officials were eligible to participate in the 2013 exercise. Of those eligible, 93 opted to publicly disclose a summary of their assets, liabilities and outside interests, while 40 publicly affirmed that they had completed their

confidential financial disclosure as required by the Organization yet wished to maintain confidentiality for security, cultural or familial reasons. The remaining 20 officials include those who opted not to participate in the exercise, also for security, cultural or familial reasons, or did not complete the procedures required for participation by the closing date of the exercise. The 2013 participation rate is consistent with those of previous years and represents a continuously positive and encouraging development.

28. The 2014 filing cycle was successfully launched on 1 March 2014 with a total filer population of 5,018 staff members as at 31 July 2014. Figure V provides a graphic comparison of annual participation levels in the programme, by organizational grouping. The table shows the breakdown in figures by organizational grouping. The filer population has grown significantly over time, from 1,704 filers in 2006 to 4,065 in 2010 and 5,018 in 2014, representing an increase of 194 per cent compared with 2006.

Figure V
Financial disclosure participation by entity and filing year, 2010-2014



* As at 31 July 2014.

Financial disclosure participation by entity and filing year, 2010-2014

	Peacekeeping operations	*Secretariat*	*Other United Nations entities*	*Total by year*
2010	1 614	1 360	1 091	4 065
2011	1 697	1 351	1 258	4 306
2012	1 600	1 558	1 472	4 630
2013	1 508	1 505	1 560	4 573
2014[a]	1 594	1 558	1 866	5 018

[a] As at 31 July 2014.

29. In addition to serving the Secretariat, the Ethics Office administers the financial disclosure programme for other United Nations entities that opt to

participate on a cost-sharing basis.[1] While filers from the Secretariat, including peacekeeping operations, continue to account for most of the total population, the number of filers from other United Nations entities has increased, rising from 339 in 2006 to 1,091 in 2010 and 1,866 in 2014. Filers from other United Nations entities represent approximately one third of the total filing population each year (see table).

30. In addition, the Ethics Office provided technical and substantive guidance, including conflict of interest review methodology, to other United Nations entities that are establishing their own financial disclosure programmes.

31. In its resolution 66/234, the General Assembly called for a review of the programme's regulatory framework so as to accord the Ethics Office a greater role in determining who should be covered by the programme. The review forms part of a continuing process of consultations between the Office and other relevant offices within the Secretariat. The Office completed its internal review during the reporting period.

32. The General Assembly also called upon the Secretary-General to propose measures to address personal conflicts of interest that might arise after termination of employment with the United Nations. This entails a broader examination of employment-related policies beyond the purview of the programme. Further consideration of post-employment restrictions requires consultations with other offices concerned, including the Office of Legal Affairs, the Office of Human Resources Management and the Procurement Division.

33. The current review focuses on the existing regulatory framework, in the light of the history and developments in the financial disclosure programme and the collective experience gained to date in tackling and mitigating conflicts of interest. The review examines data from many sources, including various national conflict of interest and asset declaration systems, international agreements on corruption, policies governing declaration of interest programmes for national and international civil servants and compilation of information on financial disclosure and declaration of interest programmes throughout the United Nations system.

34. It has been found that the current financial disclosure programme of the Secretariat has positive attributes. It is the most encompassing of all the programmes, with many participants and a wide reach across functions, duty stations and departments. Staff members with the highest risk profiles are covered filers. A consistent methodology is used to detect, remedy and manage conflicts of interest. An external reviewer reviews disclosure statements, thus ensuring the independence and confidentiality of the review process. The secure web-based filing system is a stand-alone system that is not linked to any other in-house system (such as human resources, management or accounting systems) and is administered

[1] The following United Nations entities currently participate in the programme: the United Nations Relief and Works Agency for Palestine Refugees in the Near East; the United Nations Institute for Disarmament Research; the United Nations Interregional Crime and Justice Research Institute; the Joint United Nations Programme on HIV/AIDS; the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa; the Office of the United Nations High Commissioner for Refugees; the United Nations Compensation Commission; the United Nations Framework Convention on Climate Change; the United Nations Institute for Training and Research; the United Nations University; and the United Nations Entity for Gender Equality and the Empowerment of Women.

outside the Organization's structures, thus ensuring a high level of data confidentiality and independence. The programme offers a very high level of data privacy and protection, given that access to information disclosed is limited to the Secretary-General, the Ethics Office or offices or persons specifically authorized in writing by the Secretary-General. Lastly, the programme covers a significant range of assets, liabilities, outside activities and interests or affiliations that staff are required to declare.

35. The review preliminarily identified several ways to enhance how the programme detects and manages conflicts of interest. From the experience of the programme since 2006, it has been found that, in general, the risk to the Organization of financial conflicts of interest may be considered low to medium. Outside activities and affiliations, however, represent a larger area of concern and increasingly require a more tailored approach.

36. Several areas for improvement are being considered, including sharpening the focus of the programme on risks of conflicts of interest, strengthening staff awareness, adjusting disclosure questions and requirements, which cover such areas as items to be disclosed, reporting thresholds and outside activities, and modifying the programme's scope of coverage to allow for certain staff to be included in the disclosure pool. Revisions to the current regulatory framework of the programme and its governing policy will be proposed within the context of broader consultations under way with the offices concerned within the Secretariat.

C. Protection of staff against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations

37. The Ethics Office administers the Secretariat's policy on protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigation (see ST/SGB/2005/21). Developed as an accountability mechanism pursuant to the 2005 World Summit Outcome, and incorporating what were then global best practices, the policy was enacted in 2006 to encourage the reporting of serious misconduct, such as fraud, waste and corruption, that is harmful to the reputation and interests of the Organization.

38. Pursuant to the policy, the Ethics Office conducts preliminary reviews of retaliation complaints to determine whether a complainant has engaged in a protected activity and, if he or she has, whether the protected activity was a contributing factor in causing the alleged retaliation. If the Office determines that a prima facie case of retaliation has been established, the matter is referred to the Office of Internal Oversight Services (OIOS) for investigation. Pending the completion of the investigation, the Office may recommend interim protection measures to the Secretary-General to safeguard the interests of the complainant. The Office makes a final retaliation determination subsequent to its receipt and review of the completed investigation report and exhibits.

39. From 1 August 2013 to 31 July 2014, the Ethics Office received 55 inquiries relating to the policy, of which 4 were determined to be outside its jurisdiction. The Office responded to 32 of the inquiries with advice about the policy or information regarding how to report or otherwise address perceived misconduct. Staff members raising workplace concerns not covered by the policy were advised of measures that they could take to address concerns directly or were referred to appropriate offices,

including the Office of Human Resources Management, the head of department, office or mission, the Office of the United Nations Ombudsman and Mediation Services, the Management Evaluation Unit, the Office of Staff Legal Assistance and the Staff Counsellor's Office.

40. Concerning those inquiries where staff alleged retaliation in accordance with Secretary-General's bulletin ST/SGB/2005/21, the Office initiated 19 preliminary reviews, of which 12 gave rise to findings of no prima facie case of retaliation. It determined that a prima facie case existed in two cases and referred them to OIOS for investigation. Five cases remain under preliminary review.

41. Regarding the first of the two cases referred to OIOS during the reporting period, the complainant was, pursuant to a recommendation by the Ethics Office that an interim protection measure be put in place, temporarily reassigned to another office pending the completion of the investigation process. While the Office subsequently determined that retaliation in the case had not been established, it advised the relevant head of office on appropriate measures to mitigate any future risk of retaliation. The second case referred to OIOS is under investigation.

42. The Ethics Office also handled cases that had been pending from prior periods, receiving completed investigation reports for a prima facie retaliation case referred to OIOS in 2011-2012 and three referred in 2012-2013.

43. Regarding the 2011-2012 referral, following its independent review of the investigation report and evidential materials, the Ethics Office determined that retaliation had been established. To remedy the matter, the Office recommended that the staff member should receive an upgraded performance evaluation, that prior changes made to the staff member's supervisory chain as an interim protection measure should be maintained and that the subject of the complaint should be referred for disciplinary action. All the recommendations have been implemented.

44. In relation to the three cases referred to OIOS in 2012-2013, one was settled to the satisfaction of the complainant before the conclusion of the OIOS investigation, with the support of the Office of the United Nations Ombudsman and Mediation Services. The Ethics Office determined that there had been retaliation in the second case and recommended, among other things, that the complainant should be reimbursed for expenses incurred as a result of the retaliatory action and that the subject should be referred for disciplinary action.

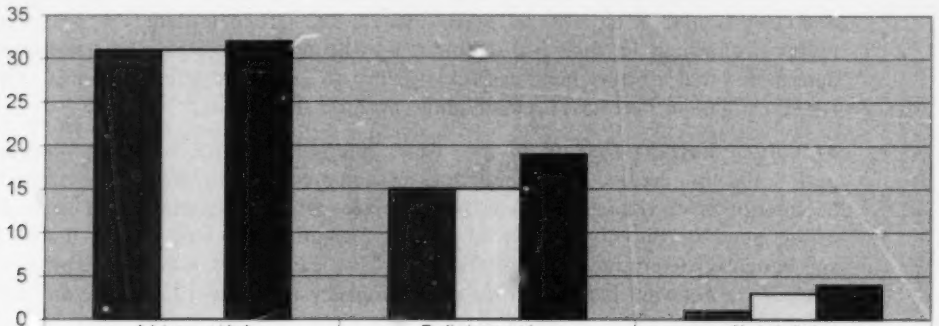
45. Concerning the third case, the Ethics Office determined that retaliation had not been established on the basis that the alleged retaliatory action had been taken prior to, and independent of, the complainant's protected activity. The Office nonetheless identified significant due process concerns in the course of its final case review, which it referred to the respective head of office. It also engaged with the relevant senior officials to ensure that the Organization continued to demonstrate proper care for the complainant.

46. Figure VI presents retaliation-related activity over the past three cycles. Since 1 August 2011, the Ethics Office has received 151 inquiries relating to the policy on protection against retaliation, determining that it had no jurisdiction in 8 of the matters. In 94 of the matters, it advised the staff member about the scope and applicability of the policy and about how to report and address misconduct other than retaliation. The Office initiated a preliminary review of the remaining 49 matters, finding that a prima facie case existed in 7 of them. It found retaliation

in three cases.[2] Five cases remain under preliminary review and one is currently being investigated.

Figure VI

Actions taken on requests for protection, 1 August 2011-31 July 2014



	Advice provided	Preliminary review	No jurisdiction
Aug 2011-July 2012	31	15	1
Aug 2012-July 2013	31	15	3
Aug 2013-July 2014	32	19	4

47. As with previous reporting cycles, most retaliation complaints received by the Ethics Office during the reporting period described workplace conflicts and interpersonal disputes. The policy continued to be used by staff as a labour dispute mechanism, in parallel with existing recourse mechanisms such as the Management Evaluation Unit, or a complaint under the Secretary-General's bulletin on prohibition of discrimination, harassment, including sexual harassment, and abuse of authority (ST/SGB/2008/5), rather than as a protection mechanism for the reporting of serious misconduct harmful to the interests of the Organization. The Office has a similar experience in its receipt of requests for advisory services, nearly 25 per cent of which involve allegations of wrongdoing other than retaliation.

48. With a view to enhancing the Organization's ability to promote the reporting of serious misconduct, protect whistle-blowers from retaliation and prevent retaliation from occurring, the Secretariat initiated an external expert review of its protection against retaliation policy in 2012-2013. Completed in the 2013-2014 reporting cycle, the expert review makes several recommendations, pursuant to emerging global best practices and considering the intent and purpose of the policy as originally formulated. Following receipt of the finalized review, the Ethics Office, in consultation with the Department of Management, the Office of Legal Affairs and OIOS, prepared a proposal on a revised protection against retaliation policy. The proposal is under review by the Executive Office of the Secretary-General. Thereafter, proposed amendments to the text of the Secretary-General's bulletin will be considered by the Office of Human Resources Management and submitted for consultations in accordance with the Organization's normal practice.

[2] As noted in paragraph 44, one additional retaliation case was resolved before the conclusion of the investigation.

D. Outreach, training and education

49. Pursuant to its mandate to strengthen an ethical culture throughout the Organization, the Ethics Office provides extensive outreach and confidential consultation to Secretariat staff, including those based outside New York. During the reporting period, the Office conducted field missions to the United Nations Office in Burundi, the Regional Service Centre at Entebbe, Uganda, the United Nations Mission in Liberia, the United Nations Stabilization Mission in Haiti, the United Nations Peacekeeping Force in Cyprus, the United Nations Truce Supervision Organization, the Office of the United Nations Special Coordinator for the Middle East Peace Process, the United Nations Office at Nairobi (including the United Nations Support Office for the African Union Mission in Somalia), the United Nations Office at Geneva and the Economic Commission for Latin America and the Caribbean.

50. During the outreach missions, the Ethics Office met some 1,100 individuals. It held individual consultations with staff, led town hall meetings and provided tailored ethics briefings for management teams. The visits resulted in many more staff from field offices and offices away from Headquarters seeking out the Office for confidential advice. In many locations, the Office provided more advisory services to staff at those locations during the course of the missions than it had in the entire previous year.

51. The Ethics Office, in conjunction with the Department of Political Affairs, provided 11 briefings for recently appointed members of panels of experts for several countries. Those briefings helped the panel members to understand the Organization's ethical expectations of them as consultants performing important services for the Organization.

52. The General Assembly, in its resolution 65/247, endorsed the recommendation of the Advisory Committee on Administrative and Budgetary Questions that the Ethics Office conduct mandatory ethics induction briefings for senior leaders to positively impact the Organization's culture of ethics, integrity and accountability. In 2013-2014, the Director of the Office conducted 10 confidential ethics induction briefings with newly appointed Assistant Secretaries-General and Under-Secretaries-General, including Special Representatives and Deputy Special Representatives of the Secretary-General. The briefings cover personal ethical responsibilities, what is termed "tone from the top", retaliation prevention, transparency and accountability measures.

53. Pursuant to its mandate to develop standards and education on ethics and to ensure annual ethics training for all staff, the Ethics Office has further expanded its training library. The Office's training strategy encompasses three levels: initial awareness-building, basic ethics education and training and advanced training to build ethical decision-making and leadership skills. The Office, as subject-matter expert, designs and develops the Secretariat's ethics curriculum and collaborates with other offices, such as the Office for Human Resources Management, the Department of Field Support and the Department of Peacekeeping Operations, to implement the curriculum.

54. Online training is best suited for establishing basic expectations for ethical behaviour. In 2013-2014, the Ethics Office and the Office of Human Resources Management prepared a new, basic, online ethics training programme, entitled

"Ethics and integrity at the United Nations". The 90-minute programme, which is based on training developed by the United Nations Relief and Works Agency for Palestine Refugees in the Near East, will be available to all staff worldwide through Inspira from 1 September 2014. The legacy online training programme, known as "integrity awareness initiative", will be retired upon the launch of the new programme. Since 2005, more than 55,000 people have completed the integrity awareness initiative training.

55. In 2012-2013, the Ethics Office launched leadership dialogues to ensure that all staff members participate in annual ethics training. More than 28,000 staff members, including in excess of 16,000 in peacekeeping and special political missions, have participated in one-hour dialogue sessions. That participation rate, encompassing two thirds of the staff population, together with the overwhelmingly positive feedback received, reflects a significant desire among staff and managers to engage on important ethics issues. The Office has developed materials for the 2014 leadership dialogue, which will deal with how to treat one another with respect and tolerance. The topic will explore how the Preamble to the Charter applies to staff members in their daily workplace interactions.

56. Advanced ethics education assists staff in thinking critically about issues of ethics and integrity and engaging in ethical decision-making to solve real-world dilemmas. A workshop entitled "Professional ethics and integrity in our daily work" continued to be delivered throughout 2013-2014. Since the launch of the workshop in 2006, more than 14,700 staff members system-wide have participated. In the reporting period, 231 staff attended workshop sessions. The Office also works with the United Nations System Staff College in offering seminars on advanced ethics decision-making that are incorporated into the Staff College's leadership development curricula.

57. The Ethics Office website continues to provide essential ethics information. In 2013-2014, it had more than 64,500 individual visits. It is available via iSeek and www.un.org/en/ethics and offers materials, links and other information relating to ethics in the United Nations.

58. In 2013, the Ethics Office document entitled "The roadmap: a staff member's guide to finding the right place", won a "UN 21" Award in the field of knowledge management. Now in its third year, the document has received Organization-wide recognition for its value in informing staff of resources available to tackle their concerns. In 2014, the Office updated the document to reflect recent changes in office locations stemming from the capital master plan.

E. Standard-setting and policy support

59. During the reporting period, the Ethics Office was granted observer status on the Management Committee. The Office's contributions have been included in the development of the enterprise risk management framework, the reports of the Secretary-General on accountability, new approaches to performance management, enhancements to the internal investigations framework and outreach and communications to staff concerning procedural justice in the workplace.

60. The Ethics Office held consultations with and provided substantive policy advice to other entities of the United Nations system and other international

organizations in relation to their development of ethics-related standards governing staff conduct and behaviour and on the establishment of ethics offices and policies. In particular, the Office advised several entities, including the Food and Agriculture Organization of the United Nations, the International Fund for Agricultural Development, the International Organization for Migration, the International Maritime Organization, the Universal Postal Union and the International Criminal Court, on the development or amendment of policies governing the financial disclosure programme and management of conflicts of interest, post-employment restrictions and outside activities. Upon the request of the United Nations Office on Drugs and Crime, the Ethics Office participated in reviews of the internal structures of the United Nations that serve to reduce the risk of corruption.

61. The Ethics Office continues to work closely with partners throughout the Organization to revise and update policies. During the reporting period, it contributed to the reformulation of the gifts and honours policy of the Office of the United Nations High Commissioner for Refugees. It also worked closely with the Department of Management on methods of tracking and disposing of honours, decorations, favours, gifts or remuneration.

62. In recognition of the rapid growth and application of social media, the Ethics Office is participating in the development of a social media policy upon the request of the Department of Public Information. The initiative will help to ensure that staff members who use social media in their official or personal capacity receive guidance on the Organization's expectations concerning their online conduct.

F. Ethical leadership, culture and metrics

63. The 2013 cycle of the Secretary-General's senior manager compacts included an objective of supporting the Organization's commitment to an ethical culture. The Director of the Ethics Office conducted confidential ethical leadership behaviour assessments for all Under-Secretaries-General who signed such compacts. Aggregate data from both the 2011 and 2013 cycles of the assessment form the basis for an ethical leadership model for United Nations leaders, highlighting the ethical foundation for personal leadership values, behaviour and decision-making. The model has been shared with the Office of Human Resources Management because it contemplates using the quantitative research in a comprehensive multi-rater feedback development tool ("360 degree feedback") for Assistant Secretaries-General and Under-Secretaries-General. The model may also prove useful in predicting behavioural strengths and challenges that incoming senior leaders may face as they integrate into the Organization and assume their new leadership roles.

64. In 2012, the Ethics Office undertook a formal ethics and reputational risk assessment for United Nations peacekeeping operations. The assessment identified the most significant ethical and reputational risks facing peacekeeping and developed quantifiable metrics for tracking the impact over time of the Organization's commitment to ethics in the workplace. At that time, the eight participating missions received customized summaries of their data, including suggestions for developing specific action plans.

65. In 2014, the assessment was extended through an electronic survey to five additional peacekeeping missions to obtain baseline data from a majority of missions, operating under differing mandates. The aggregate data from both survey

cohorts will assist the United Nations in tackling key ethical risks and challenges facing peacekeeping missions, in addition to particular risks that affect individual missions. The experience from the research may also prove useful should the United Nations undertake an Organization-wide staff survey on attitudes, opinions and beliefs concerning ethical risk and culture.

IV. Ethics Panel of the United Nations

66. The Ethics Panel of the United Nations (established in December 2007 as the United Nations Ethics Committee and renamed by the General Assembly in its resolution 66/234) is mandated to create a unified set of ethical standards and policies of the Secretariat and of the separately administered organs and programmes and to consult on particularly complex matters having system-wide implications. The Director of the Ethics Office chairs the Panel.

67. The Ethics Panel is composed of the heads of the ethics offices of the funds and programmes and the Secretariat. In accordance with the relevant Secretary-General's bulletin (ST/SGB/2007/11, sect. 2.2), the Ethics Office provides ethics services to those separately administered organs and programmes that have not yet designated an ethics officer.

68. During 2013-2014, new heads of the ethics offices of the World Food Programme and the United Nations Population Fund were appointed on either a full-term or temporary basis. They received extensive orientation briefings from the Chair of the Ethics Panel and technical advice from the Chair and Panel members.

69. During the reporting period, the Ethics Panel held 10 formal sessions. It focused on enhancing coherence and consistency in the application of ethics standards and reviewed lessons learned from the implementation of its core mandates, in particular financial disclosure and conflict of interest management, protection against retaliation and ethics training. The Panel reviewed the draft annual ethics office reports prepared by each member.

70. Member offices continued to develop and/or adapt core ethics training to each agency's needs and environments. Member offices sought to diversify delivery methods in order to expand the benefit and impact of ethics training. By exchanging materials, members are able to expand upon the experiences of colleagues and create a more robust set of applicable approaches.

71. Members of the Ethics Panel provided valuable input to the Secretariat's review of the policy frameworks for protection against retaliation and the financial disclosure programme. Those discussions enhanced policy harmonization among members and the sharing of lessons learned.

72. An Ethics Panel member organization requested the Director of the Ethics Office, as the Chair of the Panel, to review the effectiveness of its current ethics function. The review presented recommendations for a midterm ethics strategy and suggested implementing action.

73. Emerging ethical challenges posing individual, institutional and process risks continued to receive attention from the Ethics Panel. The issues included the use of social media, risk assessments, the parameters of confidentiality, third-party due diligence and judicial challenges.

74. The Ethics Office and members of the Ethics Panel participated in the activities of the Ethics Network of Multilateral Organizations. The Network was established in June 2010 in support of the efforts of the Secretary-General to promote system-wide collaboration on ethics-related issues within the United Nations family. Serving as a broad forum of ethics functions from United Nations system entities, affiliated international organizations and international financial institutions, the Network provides support for professional development, benchmarking and the exchange of ethics policies and practices. The sixth meeting of the Network, held in Copenhagen from 9 to 11 July 2014, was hosted by the United Nations Office for Project Services.

75. Within the United Nations system, the Ethics Panel continues to function as the sole mandated mechanism to promote the coherent and consistent application of ethical standards and to consult on important matters having system-wide implications. The Panel supports harmonized ethics and integrity policies and practices among member organizations, thereby facilitating stronger and healthier institutions. This mechanism is a primary example of how the various entities within the United Nations system can promote coherence.

V. Observations and conclusions

76. In recent years, the Ethics Office has devoted significant effort to promoting a culture of ethics and ensuring that staff members of the United Nations around the world have access to ethics advice that is independent, confidential, impartial and helpful. To create an environment in which staff members are comfortable speaking up, requesting advice and seeking guidance, the Office must be seen as a credible resource that staff members trust. Although electronic, telephonic and other remote communications are extremely useful and cost-effective, trust-based relationships are enhanced through in-person contact. The Office has increased its visibility beyond Headquarters in order to reach offices away from Headquarters, peacekeeping and field missions, special political missions and regional commissions. While the Office is able to conduct several outreach missions, it is unable to reach all locations, even on a biennial rotation cycle. If the Office is to have the impact that a values-based institution such as the United Nations requires, it must have sufficient human capital and resources to be readily available to the staff where they work and live.

77. The Organization faces risks that are individual, institutional and procedural in nature. The Ethics Office has the capacity to advise other departments and offices regarding each such category, beyond its primary focus on individual integrity risks. To this end, it is expected that the Office would be engaged more extensively in identifying and tackling those institutional and procedural risks. In this way, the Office will be able to highlight key ethical components so that the Organization can integrate those considerations into its operational decisions.

78. Global attention to whistle-blowing and retaliation continues. Under its current mandate, the Ethics Office has an advisory role, which includes encouraging staff to speak up and report misconduct (e.g. whistle-blowing) and cooperate in audits or investigations and protecting whistle-blowers from retaliation. As currently structured, the Secretariat's protection against retaliation policy is often used by staff as an additional forum in which to have their interpersonal workplace

grievances heard. While important, such grievances may be better considered through existing dispute resolution systems that are designed for that purpose. The current review of the policy is intended to shift the focus towards promoting the reporting of misconduct that is harmful to the operations and interests of the United Nations. Finding common ground and an approach appropriate to the Organization will be a challenging task, but one that can be met with the cooperation of all departments, offices and staff.

79. The independence of the Ethics Office is one of its key strengths and distinguishing characteristics. If limitations are placed on that independence in the future, it would likely require a comprehensive reassessment of whether the Office truly can function as an independent office in the fulfilment of its mandate.

80. The Ethics Office employs several tools to evaluate the ethical culture of the Organization, in order that it may better advise the United Nations regarding how to promote the desired culture in the future. The Office observes that the Organization and its staff face challenges in cultivating an organizational culture that is based on accountability and transparency. Yet, a truly ethical United Nations must examine and balance the mutuality of rights, duties and obligations between and among staff members, the Organization, Member States and other key stakeholders. It is this mutual and interdependent social contract that provides the foundation for an ethical organizational culture. Senior leaders are best equipped to lead the effort to articulate and motivate intentional cultural change on a sustained basis.

81. With these challenges, the Ethics Office continues to promote adherence by the Organization, its staff and stakeholders to the expectations set forth in the Charter.

82. **The General Assembly is requested to take note of the present report.**

Annex

Financial disclosure programme compliance level, 2013

United Nations entity	*Required filers*	*Completed filings*	*Non-compliant(s)*
United Nations Secretariat			
Advisory Committee on Administrative and Budgetary Questions secretariat	2	2	–
Counter-Terrorism Committee Executive Directorate	4	4	–
Department for General Assembly and Conference Management	25	25	–
Department of Economic and Social Affairs	52	52	–
Department of Management	255	255	–
Department of Political Affairs, including special political missions	431	430	1
Department of Public Information	37	37	–
Department of Safety and Security	23	23	–
Economic and Social Commission for Asia and the Pacific	45	45	–
Economic and Social Commission for Western Asia	32	32	–
Economic Commission for Africa	98	98	–
Economic Commission for Europe	10	10	–
Economic Commission for Latin America and the Caribbean	55	55	–
Ethics Office	11	11	–
Executive Office of the Secretary-General	12	12	–
Office for Disarmament Affairs	6	6	–
Office for the Coordination of Humanitarian Affairs	26	26	–
Office of Administration of Justice	2	2	–
Office of Internal Oversight Services	16	16	–
Office of Legal Affairs	21	21	–
Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States	4	4	–
Office of the President of the General Assembly	6	6	–
Office of the Special Adviser on Africa	2	2	–
Office of the Special Representative of the Secretary-General for Children and Armed Conflict	1	1	–
Office of the Special Representative of the Secretary-General on Sexual Violence in Conflict	3	3	–
Office of the United Nations High Commissioner for Human Rights	21	21	–
Office of the United Nations Ombudsman and Mediation Services	3	3	–
Peacebuilding Support Office	4	4	–
Regional Commissions New York office	1	1	–
United Nations Conference on Trade and Development	26	26	–
United Nations Joint Staff Pension Fund	64	64	–
United Nations Office at Geneva	77	77	–
United Nations Office at Nairobi	45	45	–

United Nations entity	*Required filers*	*Completed filings*	*Non-compliant(s)*
United Nations Office at Vienna	17	17	–
United Nations Office on Drugs and Crime	60	60	–
United Nations Office to the African Union	5	5	–
United Nations System Chief Executives Board for Coordination	3	3	–
Subtotal (excluding peacekeeping operations)	**1 505**	**1 504**	**1**
Peacekeeping operations	1 508	1 508	–
United Nations bodies/agencies and others	1 560	1 558	2
Total	**4 573**	**4 570**	**3**

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Item 69 (b) of the provisional agenda*
Promotion and protection of human rights: human rights questions, including alternative approaches for improving the effective enjoyment of human rights and fundamental freedoms

United Nations Human Rights Training and Documentation Centre for South-West Asia and the Arab Region**

Report of the Secretary-General

Summary

The present report is submitted pursuant to General Assembly resolution 68/241 and provides an overview of the activities and achievements of the United Nations Human Rights Training and Documentation Centre for South-West Asia and the Arab Region from August 2013 to July 2014, in the context of an increasing demand for support and expertise in the Middle East and North Africa region.

* A/69/150.
** Late submission.

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I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 68/241 on the United Nations Human Rights Training and Documentation Centre for South-West Asia and the Arab Region, in which the Assembly, inter alia, requested the Secretary-General to submit to it at its sixty-ninth session a report on the implementation of the aforementioned resolution. The report outlines progress achieved by the Centre from August 2013 to July 2014.[1]

2. The Centre was established by the General Assembly in 2005 (resolution 60/153). It is mandated, under the supervision of Office of the United Nations High Commissioner for Human Rights (OHCHR), to undertake training and documentation activities according to international human rights standards and to support such efforts within the region by Governments, United Nations agencies and programmes, national human rights institutions and non-governmental organizations. The Centre is hosted by the Government of Qatar.

3. On 27 December 2013, the General Assembly endorsed the proposal of the Secretary-General that the costs of strengthening the Centre be borne by the regular budget and extrabudgetary resources (A/C.5/68/17, paras. 10-12).The Centre is therefore now supported through additional financial resources from the regular budget of the United Nations, including for three staff members (1 P-5, 1 P-4,1 P-3).

4. Pursuant to General Assembly resolution 67/162, regular budget resources have been allocated to reinforce the staffing capacity of the Centre, thus enabling it to better respond to training and documentation demands in a more timely and adequate manner, and to help to fill the gaps in terms of expertise and relevant Arabic-language training materials.

5. The recruitment status of the posts financed from the regular budget is as follows (A/C.5/68/17, para. 9):

(a) Head of the Centre (P-5): the post was converted from extrabudgetary resources;

(b) Human Rights Officer (P-4): the incumbent assumed his duties on 7 July 2014;

(c) Human Rights Officer (P-3): recruitment is in process;

(d) General Service staff: the post of Administrative Associate (G-6) has been advertised and recruitment is in process.

6. With the completion of the recruitment process outlined above, the Centre will be able to expand the reach and scope of its training activities. Furthermore, it will be in a better position to provide additional support to the other OHCHR presences in the region, including the country offices in Yemen and Tunisia, the regional office in Lebanon and the human rights component of the United Nations Support Mission in Libya (UNSMIL).

[1] The geographical mandate of the Centre covers 25 countries, the majority of which are situated in the Arab region. Three are situated in South-West Asia. The countries are: Afghanistan, Algeria, Bahrain, Comoros, Djibouti, Egypt, Iran (Islamic Republic of), Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Pakistan, Qatar, Saudi Arabia, Somalia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates, Yemen and State of Palestine.

7. The Centre has continued to conduct important work in accordance with its mandate, particularly on the promotion of the work of the United Nations human rights mechanisms and combating human trafficking. With additional resources, it is envisaged that the Centre will further develop and expand its activities, and cover wider beneficiary groups across the South-West Asia and the Arab region.

8. The table in the annex reflects an updated list of actors participating in activities conducted by the Centre, and countries in which the Centre has held events. In 2012, 380 participants benefited from Centre activities and, in 2013, 420 persons took part in activities organized by the Centre.

II. Main achievements of the Centre

9. The Centre continued to provide services in line with the six strategic thematic priorities described in the OHCHR Office Management Plan for 2014-2017 and set out below:[2]

(a) Strengthening international human rights mechanisms;

(b) Enhancing equality and countering discrimination;

(c) Combating impunity and strengthening accountability and the rule of law;

(d) Integrating human rights in development and the economic sphere;

(e) Widening the democratic space;

(f) Early warning and protection of human rights in situations of conflict, violence and insecurity.

10. The Centre plays an important capacity-building role for various actors, including Governments, national human rights institutions, civil society organizations and actors, and United Nations entities. It has also been engaging with regional organizations, such as the League of Arab States, the Gulf Cooperation Council and the Arab Network for National Human Rights Institutions.

11. Requests by Member States for capacity-building have significantly increased. Moreover, several Member States have financially assisted the Centre in implementing activities in their countries. There has also been an increase in country-based training which has now surpassed regional training exercises.

12. Member States have consistently requested training courses in the following areas: reporting to the United Nations treaty bodies and under the universal periodic review; basic and advanced human rights training courses for diplomats, journalists, law enforcement officials, national human rights institutions; and a human rights-based approach to combating human trafficking in persons.

[2] OHCHR Management Plan 2014-2017 (http://www2.ohchr.org/english/OHCHRreport2014_2017/OMP_Web_version/media/pdf/0_THE_WHOLE_REPORT.pdf).

13. The Centre continues to be guided by the outcome of the September 2010 workshop on the future vision of the Centre,[3] including the development of information and documentation systems on human rights, capacity-building and awareness-raising activities on human rights and provision of support and advice to Member States and non-governmental organizations on human rights education. Strengthening the capacity of Arab diplomats to interact with international human rights mechanisms has been identified as a key area during the regional expert workshop.

14. The Centre has affirmed its role as a key player in promoting human rights-based approaches to combating human trafficking in the region. The mandate of the Centre expressly provides for working with national human rights institutions, an objective that has been highlighted in its planning for 2014-2017. Finally, there has been a notable increase in the demand for training of law-enforcement officials following developments in the Middle East and North Africa. In conducting its activities, the Centre has sought to ensure gender balance among participants and trainers and has found that this approach contributes to the success of its training courses and other activities.

15. Since its establishment, and following regional consultations, the Centre has carried out regional programmes which have also been adopted and implemented at the country level. The Centre's key training programmes cover:

(a) Human rights and diplomacy;

(b) Combating human trafficking;

(c) Support to national human rights institutions;

(d) Human rights and media;

(e) Human rights education;

(f) Police training on human rights.

A. Human rights and diplomacy

16. The regional training course on human rights and diplomacy has been a main activity of the Centre since its establishment. The consistently positive feedback received on this course at the regional level has led several Governments to request similar training activities at the country level. For example, from 11 to 14 May 2013, the Centre organized a training course for 25 Yemeni diplomats in Yemen. As a result of the course, a number of diplomats from the region are better equipped to contribute to the promotion and protection of human rights through their work. In Yemen specifically, this has led to changes in the basic deployment training module on consular work to emphasize the protection of citizens' rights abroad. The Centre also

[3] In September 2010, a workshop was held on the future vision of the Centre. Involving more than 60 regional experts and representatives of Governments, civil society and national human rights institutions, it was held to determine the principal needs of the region in terms of human rights capacity-building. The workshop identified key areas for intervention, and its discussions provided much of the foundation for the development of the Centre's strategic priorities in terms of activities within the parameters of its established training and documentation mandate.

established a network of Arab diplomats who participated in its specialized training courses.

B. Combating human trafficking

17. The Centre is committed to promoting a human rights-based approach to combating human trafficking, and bases its engagement on the Arab Initiative to Combat Human Trafficking, which was adopted in 2010.

18. From 27 to 29 April 2014, OHCHR organized a workshop in Saudi Arabia that was attended by 30 participants, including 14 women, from different governmental departments, such as the Ministry of the Interior (police guards, immigration officers and police investigators), the Prosecutor's office, the Human Rights Commission and the National Committee for Combating Human Trafficking.

19. The workshop's objectives were to introduce the participants to the international framework and the Saudi national law for combating human trafficking, and to present tools and mechanisms for victims' identification and the best methodologies for investigating crimes of trafficking.

C. Support to national human rights institutions

20. The Centre supports institutions and commissions aspiring to comply with the Paris Principles through the provision of training and documentation. There are nine national human rights institutions in the region supported by the Centre. Seven of them comply fully with the Principles relating to the Status of National Human rights Institutions for the Promotion and Protection of Human Rights (the Paris Principles)[4] and have been granted "A" status accreditation by the International Coordinating Committee for National Human Rights Institutions. These include the national human rights institutions of Afghanistan, Egypt, Jordan, Mauritania, Morocco, Qatar and the State of Palestine. Two national human rights institutions in the region, those of Algeria and Tunisia, received "B" status accreditation.[5]

D. Human rights and media

21. A regional training programme for journalists was developed by the Centre in cooperation with prominent media outlets, such as the Al-Jazeera Television Channel, regional and international organizations, including the United Nations Educational, Scientific and Cultural Organization. The Centre conducted two such training programmes during the reporting period, the first in Yemen on 11 and 12 May 2013 and the second in Morocco from 6 to 9 May 2014.

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[4] See General Assembly resolution 48/134.

[5] International Coordinating Committee for National Human Rights Institutions accreditation status as at 19 July 2013; levels of accreditation by the Committee: "A" Voting member: complies fully with the Paris Principles; "B" Observer member: does not fully comply with the Paris Principles; "C" Non-member: does not comply with the Paris Principles.

22. The training workshop in Morocco was attended by 32 journalists. Participants were introduced to the following topics relevant to their profession: international human rights standards related to media protection; assessing media coverage of human rights issues in the region and identifying challenges; a human rights-based approach for media coverage; the role of oversight bodies in the protection of media and journalists; and safety and security in the field. The workshop also included a practical exercise through which participants had a unique opportunity to apply the skills they acquired during the training course. Following the workshop, participants developed a social media group for their human rights activities, and have since been exchanging information about human rights and media freedom in their respective countries. Furthermore, they have developed a regional network for journalists who are interested in promoting human rights issues.

E. Human rights education

23. On 15 and 16 January 2014, the Centre organized a training workshop on developing educational materials to promote human rights in elementary and secondary schools. The 18 participants represented different ministries and civil society organizations from the region (Jordan, Morocco, Oman, Qatar, the Sudan, Tunisia and the State of Palestine). The workshop aimed at identifying best practices in the region in: developing human rights education and programmes; integrating human rights values in educational materials; and national initiatives on human rights education. Participants put forth a series of recommendations to enhance the process of promoting human rights education in the region, such as the organization of a training workshop on quality standards, the development of a regional plan for teachers' training courses and the production of an academic manual to help deliver human rights concepts in schools.

24. From 19 to 21 January 2014, in Jordan, the Centre, in partnership with Protect Education in Insecurity and Conflict, organized a Regional Forum on the Protection of the Right to Education during Insecurity and Armed Conflict in the Middle East and North Africa Region. Some 104 participants from 24 countries attended the event, including policymakers and legal advisers from ministries of education, justice, foreign affairs and human rights, as well as representatives of civil society, national human rights institutions, academia and legal practitioners. United Nations representatives were also in attendance. The Forum recommended the development of a legal stakeholders' network for the protection of the right to education to help to provide legal protection for students, teachers, schools, and universities. Participants expressed a strong interest in collaborating further to help to implement the recommendations.

25. The Centre is currently creating a website dedicated to the protection of the right to education during insecurity and armed conflict in the Arab region. Following the forum, the Doha Centre started establishing a network of individuals, including human rights professionals, government representatives and representatives from the United Nations, civil society and academia to help to set up a platform to raise awareness and exchange best practices on the topic.

26. In 2014, the Centre conducted a workshop for high school students in Qatar focusing on the concepts of human rights within the Universal Declaration of Human Rights and other international conventions, and another workshop for university students in Qatar on the concept of gender and diplomacy.

F. Police training courses on human rights

27. The expansion of the Centre's activities for police training courses encompasses an assessment of the training needs of law enforcement agencies, and the development of strong regional programmes for the training of trainers.

28. The Centre organized several consultations with a variety of actors, including the Human Rights Department at the Ministry of the Interior of Qatar on combating impunity and strengthening accountability and the rule of law. Furthermore, the Centre seized the opportunity presented by the newly established Police Academy in Qatar, to integrate human rights into the training material for police students. The Centre has been gathering and analysing different training materials for law enforcement agencies with the aim of designing a pilot project for the Qatari Police Academy in 2015.

G. Other activities

29. The visibility of OHCHR in South-West Asia and the Arab region has been greatly strengthened as a result of OHCHR interventions in relation to the human rights situation in the region. The developments in the region have generated a great demand for the promotion of human rights through human rights training and documentation capacity. With increased resources, the Centre has been empowered to fulfil its training and documentation mandate and to better meet the demands it faces, particularly with regard to the development of tailored training material. It has thus been able to reach a larger array of beneficiaries.

30. The Centre has prioritized the use of the Arabic language in specialized training courses and documentation materials[6] with a view to obtaining wider coverage. It has developed an Arabic-language website to disseminate information about the Centre and its activities and provides a pool of essential United Nations human rights documentation.[7] Furthermore, the Centre has been publishing a regular newsletter in Arabic and English, which is available in print and digital formats.

31. Through regional consultations with Governments, national human rights institutions, academia, non- governmental organizations and other stakeholders, the Centre has provided a platform for discussions and exchange of experiences and expertise on a variety of human rights issues, including the impact of foreign debt on human rights and on the protection of the rights of minorities.

[6] In fulfilling its training and documentation mandate to meet the regional needs, it is envisaged that the Centre will eventually make use of a number of working languages, including but not limited to Arabic, Farsi and English.

[7] www.undohacentre.ohchr.org.

32. On 18 and 19 December 2013, the Centre, in cooperation with Penal Reform International in Jordan, organized a training workshop on international and regional mechanisms to combat torture and integrate them into national strategies for national human rights institutions and non-governmental organizations in the Arab region. Participants recommended developing a regional strategy to combat torture in that region. A follow-up training course is envisaged on the role of national human rights institutions in combating torture, as well as on sharing best practices. The Centre has developed a network to provide all participants with the latest information on the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, the Optional Protocol to the Convention against Torture, and the Subcommittee on Torture and other mechanisms.

33. On the occasion of International Labour Day, the Centre took part in the first conference in Qatar dedicated to the protection of labour rights. It made a presentation on international labour standards and provided technical assistance to Qatar in its publication of the first official report on labour rights in that country.

34. In addition, the Centre has institutionalized training courses at the regional and country levels on treaty bodies, special procedures and the universal periodic review. This has led to an increased understanding of human rights mechanisms and of ways to improve engagement with the universal periodic review. In particular, participants developed a checklist of issues to be addressed prior to a review.

35. On 24 May 2014, in close cooperation with the Qatar National Human Rights Committee, the Centre organized a training session on the universal periodic review for Qatar, which focused on understanding the process and requirements for the implementation of the recommendations of the review.

III. Conclusion

36. **Over the past year, the Centre has continued to establish itself as a key partner in the region and has demonstrated its capacity to implement a wide range of training and documentation activities in the field of human rights. The increasing demand that has been placed on the Centre by Member States and other stakeholders reveals a growing recognition of its role and impact on strengthening human rights capacities in the region.**

37. **General Assembly resolution 68/241 has allowed the Centre to consolidate its work and mandate in strengthening the capacity of Member States to address human rights challenges afflicting the region. The Assembly's continued support of the work of the Centre has been greatly appreciated.**

Annex

Geographical representation at training courses and consultations conducted by the Centre[a]

	Number of times key consultations and training courses were organized in the country[b]				*Number of times countries nationalities were represented at key consultations and training courses*[b]			
	2011	*2012*	*2013*	*2014*	*2011*	*2012*	*2013*	*2014*
Afghanistan[c]								
Algeria							2	3
Bahrain					3	4		5
Comoros								
Djibouti						1	1	
Egypt					3	4	4	3
Iran (Islamic Republic of)[c]								
Iraq					1	3	2	3
Jordan		2		1	3	3	3	17
Kuwait			1		3	4	2	2
Lebanon	2				4	3		7
Libya		1				1	2	3
Mauritania					1	2	2	3
Morocco				1	1	1		17
Oman	1				4	5	2	2
Palestine					3	3	4	12
Pakistan								
Qatar	3	6	2		6	7	3	14
Saudi Arabia				2	3	4	3	171
Somalia						1	1	
Sudan	1				3	4	3	5
Syria					1			2
Tunisia		1			1	5	2	6
United Arab Emirates	1	2			3	4	2	1
Yemen			3		1	2	5	9
Total	**8**	**12**	**6**	**4**	**44**	**61**	**45**	**285**

Note: Participants include, but are not limited to, Government officials, law enforcement personnel and representatives of national human rights institutions and civil society actors, including journalists. The table does not reflect the representation of regional organizations such as the Gulf Cooperation Council at some of these events.

[a] These are key training courses and consultations and should not be taken as an exhaustive representation of activities.

[b] Key training courses and consultations implemented as at June 2014.

[c] Owing to linguistic limitations, the Centre has not yet managed to engage participants from Afghanistan and the Islamic Republic of Iran, the only two non-Arabic speaking countries under the Centre's mandate. The Centre aims to start carrying out training sessions and producing documentation in the languages of all the States covered by its mandate.

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Item 67 (a) of the provisional agenda*
Elimination of racism, racial discrimination, xenophobia and related intolerance

Contemporary forms of racism, racial discrimination, xenophobia and related intolerance

Note by the Secretary-General

The Secretary-General has the honour to transmit to the General Assembly the report of the Special Rapporteur on contemporary forms of racism, racial discrimination, xenophobia and related intolerance, Mutuma Ruteere, on the implementation of Assembly resolution 68/150.

* A/69/150.

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Report of the Special Rapporteur on contemporary forms of racism, racial discrimination, xenophobia and related intolerance

Summary

The present report to the General Assembly is submitted pursuant to Assembly resolution 68/150 on combating glorification of Nazism and other practices that contribute to fuelling contemporary forms of racism, racial discrimination, xenophobia and related intolerance, in which the Assembly requested the Special Rapporteur on contemporary forms of racism, racial discrimination, xenophobia and related intolerance to prepare a report on the implementation of the resolution, based on views collected from Governments and non-governmental organizations, for submission to it at its sixty-ninth session.

Following a brief introduction to the content of resolution 68/150, the Special Rapporteur summarizes the contributions sent by 11 States on the implementation of the resolution, as well as views sent by intergovernmental, non-governmental and other organizations pertaining to the issue raised in the resolution. The Special Rapporteur then puts forward a number of conclusions and recommendations.

I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 68/150 on combating glorification of Nazism and other practices that contribute to fuelling contemporary forms of racism, racial discrimination, xenophobia and related intolerance.

2. Concerned by the spread in many parts of the world of various extremist political parties, movements and groups, including neo-Nazis and skinhead groups and similar extremist ideological movements, which has led to an increasing number of acts of racially based violence and mounting hate speech in the public sphere, as observed by the Special Rapporteur on contemporary forms of racism, racial discrimination, xenophobia and related intolerance (see A/HRC/26/50 and A/68/329), the General Assembly recalled, in paragraph 35 of its resolution 68/150, the request of the Commission on Human Rights, in its resolution 2005/5, that the Special Rapporteur continue to reflect on this issue, make relevant recommendations in his future reports and seek and take into account in this regard the views of Governments and non-governmental organizations. In paragraph 10 of resolution 68/150, the Assembly stressed that failure by States to effectively address such practices was incompatible with the obligations of States Members of the United Nations under its Charter and with the purposes and principles of the Organization.

3. In paragraph 37 of resolution 68/150, the General Assembly requested the Special Rapporteur to prepare and submit to it at its sixty-ninth session a report on the implementation of the resolution, based on the views collected, in accordance with the request of the Commission on Human Rights.

4. In accordance with the practice established in previous reports, the Special Rapporteur summarizes herein information received on relevant activities undertaken by Member States pursuant to resolution 68/150. In preparing the report, the Office of the United Nations High Commissioner for Human Rights (OHCHR) sent a note verbale on 1 April 2014 to Member States and a letter to non-governmental organizations requesting information on the implementation of the resolution. By 31 June 2014, replies had been received from Argentina, Australia (Human Rights Commission), Azerbaijan, Bosnia and Herzegovina, Cyprus, Guyana, Oman, the Russian Federation, Saudi Arabia and Serbia. The Special Rapporteur also received contributions from the Office of the United Nations High Commissioner for Refugees (UNHCR), the International Association of Jewish Lawyers and Jurists and the University of Edinburgh. The Special Rapporteur wishes to thank all those who kindly contributed to the present report, and regrets not being able to consider submissions received after that date.

5. The information received is summarized herein, with particular attention paid to information relating to the provisions of paragraphs 4-6, 8-10, 19 and 20 of resolution 68/150, as requested in paragraph 37 of the resolution. The original submissions are available for consultation at the secretariat of OHCHR.

II. Contributions received from Member States

A. Argentina

6. The Government referred to the Law of Discriminatory Actions (No. 23.592) of 1988, which lays the basis for combating all forms of discrimination in Argentina. Furthermore, the Government highlighted the creation of the National Institute against Discrimination, Xenophobia and Racism, which coordinates the actions proposed in the National Plan Against Discrimination in Argentina: Diagnosis and Proposals (Decree 1086/2005), a document elaborated in connection with the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance, held in Durban, South Africa, in 2001.

7. Among the actions undertaken by the National Institute to counter racism in Argentina is the creation of a monitoring mechanism for hate speech on the Internet. The mechanism was developed with the support of private companies and civil society and aims at the early identification of racist crimes online and the eradication of any form of discrimination online, including the removal of discriminatory material from public web pages.

8. The National Institute also signed a cooperation agreement with two football clubs in the country after incidents of anti-Semitic remarks and chants which took place during football matches. The agreement is part of larger framework developed by the Argentinian Football Association for the promotion of practices, campaigns and actions to counter hate speech, racism and anti-Semitism in the sport.

9. Regarding educational measures, the National Institute is responsible for coordinating anti-discrimination actions in schools, including the revision of education material, capacitation of teachers, and publication of audiovisual material to disseminate the values of diversity, respect and tolerance among children. Furthermore, the National Institute published in 2009 and 2011 a children's book with stories of the Holocaust. This is considered a key educational input for the fight against racism in Argentina.

10. In 2011, the National Institute created DIVERSIA, a centre for the investigation, development and capacitation of cultural, religious and ethnic diversity. In the first semester of 2012, DIVERSIA conducted a cycle of capacitation aimed at public administration professionals that contained material on the prevention of any form of discrimination in the workspace and the value of cultural diversity.

11. Following the adoption by the General Assembly of its resolution 60/7 on Holocaust remembrance, the Government declared the International Day of Commemoration in memory of the victims of the Holocaust to be of national interest. Argentina has formally observed the day since 2010.

B. Australia (Human Rights Commission)

12. The Australian Human Rights Commission reported that Australians, especially Aboriginals and Torres Strait Islanders, experience some forms of racism and discrimination. There is limited evidence on the spread of extremist political parties, movements and groups that glorify Nazism. However, the State established

a number of initiatives to combat these manifestations of racism and expressions of extremism.

13. The Racial Discrimination Act established the office of the Race Discrimination Commissioner within the Australian Human Rights Commission. The Act prohibits acts involving distinctions based on race and guarantees the right to equality before the law. Part IIA of the Act enumerates specific illegal behaviours while simultaneously protecting freedom of expression. The Commission hears complaints about conducts that contravene the Act and provides for civil remedies through a process of conciliation. The number of complaints received has increased recently owing to the growth of cyberracism.

14. The Federal Court of Australia and the Federal Circuit Court of Australia hear allegations that remain unresolved after the Commission's conciliation process. Notable cases relating to anti-Semitic material include *Jones v. Toben* and *Jones v. The Bible Believers' Church*. The Federal Court of Australia sanctioned the respondents in both cases for propagating anti-Semitic material on the Internet.

15. The Australian Human Rights Commission and other stakeholders oppose proposals to make less stringent part IIA of the Racial Discrimination Act because such measures would weaken protections against discrimination. The Commission also leads the National Anti-Racism Partnership — Federal departments and bodies, which represent multicultural, Aboriginal and Torres Strait Islander communities. In conjunction with the National Anti-Racism Strategy, the Commission initiated a public awareness campaign to empower people to fight discrimination and highlighted good practices. In addition, an anti-racism curriculum for schools will be launched in 2014.

C. Azerbaijan

16. Azerbaijan informed that its policy on religion is founded on freedom of thought, expression and conscience, with due consideration given to the existence of various forms of religion in society.

17. An effective legislative framework has been put in place to prevent ethnic, racial and religious discrimination. For example, provisions have been included in the Criminal Code to prohibit the sowing of ethnic, racial or religious enmity.

18. There have been no cases of anti-Semitism, religious intolerance, racial bias or racial discrimination in Azerbaijan in the past or present. Indeed, the country has never been affected by racism or xenophobia and is recognized as one with a tradition of religious tolerance and tolerant traditions.

19. The State Committee on Work with Religious Organizations has taken appropriate steps to maintain a stable religious situation in the country by thwarting radical religious groups that prove capable of opening a gate to religious or racial discrimination, to prevent the spread of harmful propaganda by non-traditional religious groups and sects and to preserve and uphold the existing climate of tolerance in the country. The Committee also prevents the import of religious literature advocating radicalism, xenophobia and all forms of intolerance, religious extremism and non-humanistic ideas that give rise to religious strife, intolerance towards other religions and heightened religious tensions.

20. To advocate for the tradition of tolerance in Azerbaijan and to exchange views on the role of religious leaders and believers in the fight against all forms of religious intolerance and racial discrimination, the State Committee organized several workshops that provided a wide range of outreach work involving various aspects of religion, including events, conferences and round tables.

21. A national tolerance centre has been inaugurated to carry out advocacy work at the local and international levels and contribute to the strengthening of tolerant traditions in the world and the region.

22. State Committee staff also regularly appear in the national media and are actively involved in raising awareness about religion among the people. The State Committee cooperates with the religious community to spread existing traditions of tolerance among the people, raises awareness about the importance of relations between the State and religion in preventing family and domestic violence, religious intolerance, racial discrimination and ill-treatment and about civic mindedness, and carries on with work that has been accomplished with a view to making further progress.

D. Bosnia and Herzegovina

23. The Government drew attention to the fact that the European Convention for the Protection of Human Rights and Fundamental Freedoms is an integral part of the constitution of Bosnia and Herzegovina, and thus is self-executing in the national jurisdiction. As such, the parts of the Convention that contain general prohibitions of discrimination, such as article 14 and protocol 12, are directly applicable in the legal system of Bosnia and Herzegovina.

24. Pursuant to international law, particularly the International Convention on the Elimination of all forms of Racial Discrimination, Bosnia and Herzegovina has taken the necessary, effective measures to end the practice of movements that contribute to the outbreak of racism, racial discrimination, xenophobia and all forms of related intolerance, including the extreme intolerance of some political parties.

25. Furthermore, an act on the ban of fascist and neo-fascist organizations in Bosnia and Herzegovina is being discussed before parliament. The aim of the legislation is to prohibit the operation of fascist and neo-fascist organizations in the country and to ensure that the anti-discrimination standards enshrined in the legislation remain perennial, excluding any eventual review of the text. Bosnia and Herzegovina also celebrates the Day of Victory over fascism on 9 May.

E. Colombia

26. The Government referred to article 13 of the Constitution, which provides for the right to equality without discrimination on the basis of gender, race, national origin, language, religion or political opinion. In 2011, Colombia promulgated Law 1482, by which the Penal Code was modified to safeguard the rights of those who were subjected to racial offences. Article 4 of that Law typified the crime of racism as the promotion or instigation of acts, practices or behaviours that constitute harassment and which are oriented to cause physical or moral damage to a person, group of persons or population on the basis of race, ethnicity, religion, nationality,

gender, sexual orientation or political or philosophical orientation. The offence of racism is punishable by prison sentences from 12 to 36 months and fines from 10 to 15 times the minimum wage. In article 7 of the Law, the offence of anti-Semitism is typified as any dissemination of ideas or doctrines that foster or encourage practices of genocide or anti-Semitism, including those that justify or support regimes and institutions that lead to such practices. The crime of anti-Semitism is punishable by sentences from 96 to 180 months, fines of 666 to 1,500 times the minimum wage, and disqualification from being considered for any public position for 80 to 180 months. Furthermore, committing such offences in a public space or via mass public media constitutes aggravating circumstances that lead to stronger punishment.

27. The National Development Plan initiated by the Government, among other things, focuses on the elimination of the phenomenon of discrimination and the implementation of real equality. In 2011, the National System of Human Rights and International Humanitarian Rights was created by Decree No. 4100, and the Intersectoral Commission of Human Rights and International Humanitarian Rights was made more effective. These institutions coordinate the entities and several instances of the State to promote the respect for human rights by designing, implementing and evaluating the policies that focus on rights and equality.

28. On 12 December 2013, the Government presented its draft human rights policy for 2014 to 2034, which gathered inputs from civil society, government institutions and international organizations, and which encompasses in its framework special provisions for the fight against exclusion and discrimination.

29. Finally, the Government reiterated its firm commitment to the elimination and sanction of any form of discrimination on the basis of race, gender, religion, nationality, sexuality, language, economic or social condition, or any other reason.

F. Cyprus

30. The Government drew attention to the Act on Combating Certain Forms and Expressions of Racism and Xenophobia by Means of Criminal Law (Law No. 134(I)/2011), which incorporated the Council Framework Decision 2008/913/JHA, and criminalized incitement to violence or hatred directed against a group of persons or a member of such a group defined by reference to race, colour, religion, descent or national or ethnic origin, and the public condoning, denying or grossly trivializing of crimes of genocide, crimes against humanity or war crimes. Furthermore, following the ratification of the International Convention on the Elimination of All Forms of Racial Discrimination, Cyprus amended the Ratification Law (Law 11(III)/92) so as to create a number of criminal offences relating to racism.

31. In the context of the police policy statement for the prevention, handling and combating of discrimination and racist crime, the Cyprus National Police has upgraded and enriched the education and training of its members on issues concerning the fight against racism and the acceptance of differences, to improve the handling and the investigation of incidents and/or cases of racism. Similarly, existing training programmes for prison wardens also include an extensive thematic content on human rights, racism and discrimination, as well as a workshop on the characteristics of different religions, xenophobia, racism and discrimination. In addition, in the context of the security policy outlined in the governance programme

of the President of Cyprus, a new series of seminars on the fight against xenophobia and racism and respect for human rights started in April 2014.

G. Guyana

32. Guyana ratified the International Convention on the Elimination of All Forms of Racial Discrimination and the International Covenant on Civil and Political Rights in 1977. Article 154 of the Constitution guarantees the rights contained in those instruments.

33. Article 149 of the Constitution defines discrimination and provides for the equality of all persons before the law. The Government also referred to article 153, which allows any person to seek redress for a violation of fundamental rights at the High Court. Article 160 prohibits the promotion of racial or ethnic divisions, and the Racial Hostility Act criminalizes incitement to racial hatred.

34. Furthermore, chapter 1:03 of the Representation of the People Act provides for a fine and imprisonment for anyone who publishes a statement or takes action that could result in racial or ethnic violence. Similarly, chapter 23:01 of the Racial Hostility Act prohibits conduct that incites hostility or animus against persons because of their race.

35. The Government also highlighted the Ethnic Relations Commission, which promotes equality and works to prevent discrimination through a variety of programmes. The Commission serves victims and makes recommendations to the Government on potential areas of improvement.

H. Oman

36. The Government informed that article 9 of the Basic Statute of the State establishes equality as one of the bases of State governance, and that article 12 guarantees equality among all citizens. Article 17 prohibits discrimination and provides for equality before the law. Foreigners who are legally present in the State have the right of protection according to article 35.

37. The provisions of the Omani Penal Code aim to eliminate racism and xenophobia, and the Government ratified the International Convention on the Elimination of All forms of Racial Discrimination. Furthermore, all persons, regardless of their citizenship, maintain the right to seek legal remedies to protect their rights.

I. Russian Federation

38. The Government informed that the Ministry of Internal Affairs enforced anti-extremism laws and that article 6 of Act No. 80 establishes that combating fascism is a major aspect of State policy. Federal acts, such as Act No. 114, define extremism and prohibit the promotion of related propaganda. Presidential Decree No. 1666 sets out the Government's ethnic policy until 2025.

39. Presidential Decree No. 602 on international harmony catalyses additional efforts to counter extremism. Article 244 penalizes desecrating burial sites and

cemeteries, while article 63 addresses crimes motivated by political, ideological, racial, ethnic or religious hatred and crimes committed against any social group. Articles 280 and 282 of the Criminal Code penalize public calls to extremist action, incitement to hatred and the organization of extremism. The judiciary determines and qualifies extremism. Federal Act No. 5 strengthens penalties for such offences.

40. The Government also drew attention to federal criminal and administrative laws that criminalize acts related to the promotion of Nazism. Act No. 128 imposes criminal sanctions on spreading false information and the revision of history related to Nazi war criminals. Public demonstrations of Nazi paraphernalia or symbols may result in fines or detention through article 20.3 of the Code of Administrative Offences. Similarly, Act No. 149 prohibits the distribution of propaganda that provokes racial, ethnic or religious hatred or strife.

41. The Federal Office of the Prosecutor-General monitors the protection of cultural objects and coordinates the work of law-enforcement bodies responsible for preventing extremism. The Office has thwarted the activities of various groups and posts relevant news and information on the Internet. The Government has also made training resources on identifying racism and xenophobia available to its internal affairs staff.

42. In addition, the Government informed of a meeting held on 9 July 2014 between the President of the Russian Federation and a delegation of representatives from international, public and religious organizations to discuss the joint efforts to be undertaken to fight neo-Nazism, xenophobia, anti-Semitism and the rewriting of history.

J. Saudi Arabia

43. The Government referred to the prohibition of racism in accordance with Islamic law; article 8 of the Basic Law states that governance in Saudi Arabia is based on equality. Article 47 guarantees the right of all persons to seek legal redress.

44. In 1997, Saudi Arabia acceded to the International Convention on the Elimination of All Forms of Racial Discrimination. Consequently, the Government will present a report to the Committee on the Elimination of Racial Discrimination.

45. Domestic law punishes the dissemination of theories of racial supremacy or hatred and associated acts of violence. It is also an offence to form groups and conduct activities with the purpose of advocating for or instigating racial discrimination.

46. Articles 25 of the Code of Criminal Procedure provides for the investigation of public officials who have engaged in racial discrimination. Similarly, articles 171 and 172 of the Internal Security Forces Act penalize violations of human rights committed by officials in the course of duty.

47. In 2011, the Human Rights Commission organized workshops to raise human rights awareness among police officers and State officials. Furthermore, Royal Decree No. 8628 related to the dissemination of a human rights culture in Saudi Arabia was adopted. Subsequent measures were taken to establish a comprehensive national plan. One initiative included an education programme for judges and law-

enforcement officers on international human rights treaties. The Government also cooperates with civil society to promote human rights.

48. The King Abdulaziz Centre for National Dialogue organizes meetings to condemn, inter alia, acts of intolerance, hatred and discrimination in all forms. The Centre signed an agreement with the Ministry of Islamic Affairs to train 40,000 mosque imams on how to disseminate a culture of tolerance in society through sermons and talks.

49. The Government places legal restrictions on the right to freedom of expression, in keeping with relevant international standards, in order to safeguard other rights. For instance, the Anti-Cyber Crime Law makes it an offence to use information technology to harm others and the Printing and Publications Act criminalizes defaming or insulting another person.

K. Serbia

50. The Government referred to its strategy for prevention and protection against discrimination for the period 2013-2018, which had been adopted to set the policy for combating discrimination in order to improve the status of all vulnerable social groups.

51. In October 2013, the National Assembly ratified two international conventions that have become an integral part of the national legal system of Serbia, namely, the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence and the Convention on Protection of Children and Cooperation in respect of Intercountry Adoption.

52. The Government informed that education courses, seminars, workshops, round tables and conferences have been organized for holders of judicial offices (judges, public prosecutors and police officers) in order to improve their knowledge and understanding of discrimination and anti-discrimination legislation.

53. The competent prosecutor's offices initiated criminal charges, including for instigating national, racial or religious hatred or intolerance, injury to reputation due to racial, religion, ethnic or other affiliation, and ruining the reputation of a foreign State or international organization. Those charges were brought against 159 persons, mostly for inciting national, racial and religious hatred and intolerance.

54. The Government adopted a national strategy for combating violence and misbehaviour at sporting events for the period 2013-2018, a strategic document that sets out the basic principles and security policy for combating violence and misbehaviour at sporting events within the action plan for the implementation of the strategy.

55. In February 2013, the Ministry of Youth and Sport established the National Committee for the implementation of the campaign for combating hate speech online. The aim of the Committee is to reduce violence on the Internet, create a safer Internet environment and raise the awareness of young people on the issues related to the abuse of the Internet, discrimination and hate speech on social networks and their consequences, especially bearing in mind the increasing number of cases of online violence among young people. The work of the Committee has been presented by the Council of Europe as an example of good practice for the

implementation of the campaign at the national level, and the activities that have been undertaken so far have been praised.

56. The Government Office for Human and Minority Rights and the Commissioner for the Protection of Equality have conducted research on hate-speech graffiti as one of the forms of hate speech. The intention was to bring attention to the connection between hate crimes, hate speech and hate-speech graffiti, and the need for a zero-tolerance policy towards hate-speech graffiti.

57. Finally, the Government pointed out that fascism and anti-Semitism are almost non-existent in Serbia and emphasized that the International Day against Fascism and Anti-Semitism is celebrated every year throughout Serbia. On 9 November 2013, a number of manifestations were organized at the national level and contributed to the remembrance of the atrocities of the Kristallnacht, as well as the dangers of historical revisionism and the relativization of crimes. The Government of Serbia has initiated and realized a number of programmes in the field of education, research and remembrance of the Holocaust, considering it a moral obligation to civilization.

III. Contributions received from intergovernmental, non-governmental and other organizations

A. Office of the United Nations High Commissioner for Refugees

58. The organization reported that discrimination on the basis of ethnicity, race, religion or language is a recurrent cause of statelessness. Indeed, the majority of the world's known refugees and stateless people belong to minority populations.

59. UNHCR leaders such as António Guterres, United Nations High Commissioner for Refugees, Janet Lim, Assistant High Commissioner for Refugees, and Volker Türk, Director of International Protection, have spoken recently on the issues linked to racism and xenophobia. They expressed the serious concerns of UNHCR about the prevalent climate of intolerance, xenophobia and racism. One of the principle objectives of UNHCR is to combat these and other forms of related intolerance.

60. UNHCR noted that racial discrimination and related intolerance are common causes of flight and can threaten the protection of asylum seekers and refugees at subsequent stages of the displacement cycle. Ideas based on the superiority of one group over another can also hamper the search for durable solutions.

61. Xenophobia and racism, prompted by the common but often unfounded perception that migratory flows are growing exponentially, can also have a direct impact on the availability of protection for asylum seekers and refugees. Extremist groups designate certain vulnerable groups, such as refugees, asylum seekers and members of minorities, as the main source of the problems, causing anxiety among the population. This may lead to the stigmatization of and perpetration of racist and xenophobic crimes against migrants, refugees, asylum seekers, internally displaced persons and other vulnerable groups.

62. The organization summarized regional developments relating to racism, xenophobia and related intolerance as they affect the protection of persons of concern to UNHCR. Regarding Central Africa and the Great Lakes Region, UNHCR

expressed deep distress over the situation in the region and described the continuing massive ethno-religious cleansing, indiscriminate killing and massacre as a humanitarian catastrophe of unspeakable proportions. Several countries have been affected by the violence.

63. In Southern Africa, foreign nationals are increasingly seen as competitors for scarce economic opportunities. This fuels xenophobia and has a negative impact on the protection environment for refugees and asylum seekers in the subregion. Consequently, UNHCR is looking for ways to address the issue of mixed migration. Violence against foreign-owned businesses continues to occur in the region, despite efforts to promote tolerance. Similar factors have led to the deterioration of public and official support for refugees and asylum seekers in the region.

64. The legal frameworks of some West African States contain discriminatory racial or ethnic requirements for acquisition of nationality, which breach the non-discrimination and equality provisions of several international and regional instruments. Those measures constitute a source of statelessness disproportionately affecting members of certain racial and ethnic groups. In addition, lack of birth registration in West African countries affects undocumented migrants and refugees more than others, as the rates of registration for those groups are disproportionately low. UNHCR provided specific information on the legislation of some West African States.

65. With relation to Latin America and the Caribbean, UNHCR drew particular attention to the disproportionate impact of forced displacement on indigenous people and Afro-descendants. The organization noted positively the judgement of the Inter-American Court of Human Rights in the case of *Pacheco Tineo Family v. Bolivia* (2013), which was the Court's first judgment relating specifically to refugees. Additionally, UNHCR approved of resolutions by member States of the Organization of American States during its forty-third General Assembly in June 2013.

66. The organization commended some States in North America for their large resettlement programmes. It also welcomed the fact that that, with the exception of one, all of the Central Asian States had now acceded to the 1951 Convention relating to the Status of Refugees. However, statelessness remains an issue of concern in Central Asia and has disproportionate effects on marginalized groups.

67. The lack of effective legal and normative frameworks governing international protection in the Asia and Pacific region compromises the protection opportunities for displaced persons who may be in need of international protection as a result of ethnic, racial or xenophobic persecution in their country of origin. In an environment that exposes refugees and asylum seekers to a host of human rights concern, racism and xenophobia feature prominently. Ensuring that humanitarian responses are not affected by the focus on border protection and deterrence remains a challenge.

68. Across Europe, the political discourse had recently become increasingly polarized because of a conflation of issues affecting foreigners, asylum seekers and refugees. Asylum seekers and refugees were often at risk of being victims of hate crimes owing their ethnicity, race, religion, nationality or legal status. In order to effectively protect and prevent hate crimes, appropriate national legislation should

be put in place, along with robust monitoring and reporting mechanisms. UNHCR noted specific positive developments in some specific European countries.

69. UNHCR recognized that a number of countries in the Middle East and North Africa were increasingly affected by the displacement caused by the humanitarian crisis and the resultant strains on host communities in terms of infrastructure, resources and tolerance. The organization noted the efforts of neighbouring countries to provide appropriate treatment and protection for refugees by ensuring access to territory and to swift and fair asylum procedures.

70. In 2013, UNHCR offices throughout North Africa witnessed an increase in the number of asylum seekers, some of whom fled persecution based on race and/or ethnicity. While in transit, refugees, asylum seekers and migrants, particularly those from sub-Saharan Africa, are confronted with discrimination and defamation because of the colour of their skin. In particular, instability in the region has contributed to the challenges of managing existing populations of concern and stretched communities' tolerance for arriving refugees and asylum seekers.

B. International Association of Jewish Lawyers and Jurists

71. The organization provided information on anti-Semitic remarks made by a government official and the media of a Middle Eastern country. Expressions of contempt, racism and anti-Semitism have been directed at the local Jewish community and at Israel. According to the Association, Government officials took part in demonstrations where they incited violence against Jews and Israelis. Additionally, a media outlet published an article admonishing Jews to apologize for Israel's actions. The article allegedly also called for a boycott of all Jewish products and businesses in the country. Reportedly, the Government has taken no action in relation to these manifestations of anti-Semitism.

C. University of Edinburgh

72. The University of Edinburgh raised the issue of manifestations of racism and xenophobia in extreme-right music. Contravening legislation and attempts at censorship, extremists have continued to disseminate white supremacist and anti-foreigner messages with their lyrics and imagery. Seeking to attract new audiences, extremists have utilized more accessible music styles, such as folk, country and pop. They have diversified the content of their music and appropriated cultural heritages to express xenophobic beliefs. The University highlighted how extreme-right musicians have projected a more inclusive image and targeted youths. Additionally, women band members have appealed to a broader support base.

IV. Conclusions and recommendations

73. **The Special Rapporteur is grateful to all States for the information provided on the measures implemented pursuant to General Assembly resolution 68/150. He also appreciates the contributions received from other organizations and civil society. He recalls the importance of full cooperation with his mandate as stipulated in Human Rights Council resolution 25/32.**

74. The Special Rapporteur notes that some States referred in their replies to the phenomena identified in resolution 68/150 and to the proliferation of extreme right-wing groups. Others stressed that no such phenomena existed within their borders. The Special Rapporteur wishes to reiterate that the human rights and democratic challenges posed by extremist political parties, movements and groups are universal and no country is immune to them. He calls upon States to increase their vigilance and be proactive in strengthening efforts and political will to recognize and effectively address them.

75. The Special Rapporteur also wishes to stress that any commemorative celebration of the Nazi regime, its allies and related organizations, whether official or unofficial, should be prohibited by States. The Special Rapporteur wishes to recall paragraph 10 of resolution 68/150, which provide that such manifestations do injustice to the memory of the countless victims of the Holocaust, the crimes against humanity committed in the Second World War, in particular those committed by the SS organization and other Nazi movement groups, negatively influence children and young people, and that failure by States to effectively address such practices is incompatible with the obligations of States Members of the United Nations.

76. The Special Rapporteur reiterates his condemnation of any denial or attempt to deny the Holocaust and all manifestations of religious intolerance, incitement, harassment or violence against persons or communities on the basis of ethnic origin or religious belief. He continues to call for the active preservation of those Holocaust sites that served as Nazi death camps, concentration and forced labour camps and prisons. He encourages States to take measures, including legislative, law-enforcement and educational, to put an end to all forms of Holocaust denial.

77. The Special Rapporteur welcomes the information provided regarding the ratification of a range of instruments, including the International Convention on the Elimination of All Forms of Racial Discrimination, and the inclusion of the Convention in national legal and constitutional frameworks. He urges those States that have not yet done so to ratify the Convention and make the declaration under its article 14, thus providing competence to the Committee on the Elimination of Racial Discrimination to receive and consider communications from individuals or groups of individuals within its jurisdiction claiming to be victims of a violation by a State party of any of the rights set forth in the Convention.

78. Several countries informed the Special Rapporteur that their constitutions and legislation enshrined the principles of equality and non-discrimination and prohibited incitement to racial, religious and national hatred. The Special Rapporteur is pleased to note that some countries have adopted legislation specifically to tackle the challenges posed by extremist political parties, movements and groups and have elaborated legal or constitutional provisions to prohibit organizations and associations that incite national, racial or religious hatred and violence and propagate fascist ideology.

79. The Special Rapporteur is pleased to be made aware of various programmes and activities coordinated at the national level to combat and prevent the spread of extremism in society. Some of the strong measures taken in some countries to counter violent right-wing extremist groups posing a threat

to vulnerable groups and national security should be emulated while remaining within the scope of article 4 of the International Convention on the Elimination of All Forms of Racial Discrimination and article 20 of the International Covenant on Civil and Political Rights.

80. The Special Rapporteur encourages States to adopt the legislation necessary to combat racism, while ensuring that the definition of racial discrimination complies with article 1 of the International Convention on the Elimination of All Forms of Racial Discrimination. He calls for the updating of national anti-racism legislation in the light of the increasingly open expression of hate speech and incitement to violence against vulnerable groups. In this regard, he recalls that any legislative or constitutional measures adopted with a view to countering extremist political parties, movements and groups, including neo-Nazis and skinhead groups and similar extremist ideological movements, should be in conformity with the relevant international human rights standards. He also urges States to implement their obligations under article 4 of the International Convention on the Elimination of All Forms of Racial Discrimination and articles 19 to 22 of the International Covenant on Civil and Political Rights.

81. The Special Rapporteur notes with appreciation that several States have prescribed in their criminal codes that racist and xenophobic motivation constitute an aggravating circumstance attracting heavier sanctions against not only instigators but also followers. The Special Rapporteur reiterates the recommendations made in his report to the Human Rights Council (A/HRC/26/50), including that States fulfil their responsibility of bringing to justice the perpetrators of crimes with racist, xenophobic, anti-Semitic or homophobic motivation and to combat impunity.

82. While welcoming the information provided regarding measures taken to prevent discrimination against members of minorities, people of African descent, Roma, migrants, refugees and asylum seekers and to ensure their integration into society, the Special Rapporteur wishes to urge States to ensure the full and effective implementation of legal, policy and institutional measures protecting these groups of individuals. The gap between the provisions of the legal and institutional framework and the challenges faced by these vulnerable groups, including with regard to racist and xenophobic acts from extremist groups or individuals, remain of particular concern. The Special Rapporteur therefore recommends that States effectively guarantee to these groups, without discrimination of any kind, the right to security and access to justice, adequate reparation, legal aid and appropriate information about their rights, as well as the prosecution and adequate sanction of those responsible for racist crimes against them.

83. The Special Rapporteur remains deeply concerned about the confirmation of tendencies to scapegoat vulnerable groups, including migrants, asylum seekers and ethnic minorities. Scapegoating remains a powerful tool for politicians whose only goal is to mobilize the masses to the detriment of social cohesion and human rights. The continued blunt, uncensored and unpunished expressions of supremacist, anti-Semitic and hateful opinions by political leaders may be an indicator that societies are growing dangerously and increasingly tolerant of hate speech and extremist ideas.

84. **The Special Rapporteur takes note of efforts made to document racially motivated crimes, especially the conduct of specialized studies and the assessment of existing programmes. He reiterates the recommendation made in his report to the Human Rights Council (A/HRC/26/50) on the collection of data and statistics. Disaggregated data are needed to understand the scope and nature of racism, xenophobia and all related intolerance within society. Such statistics are also invaluable in designing and implementing effective policies to prevent and combat these phenomena.**

85. **A number of positive initiatives have been identified in the replies of States, including awareness-raising activities to foster tolerance, respect for cultural diversity and mutual understanding. The Special Rapporteur is of the view that the organization of cultural events, research work, festivals, conferences, seminars, exhibitions and information campaigns are positive measures that contribute to the building of a society based on pluralism, mutual understanding, tolerance and non-discrimination and therefore encourages States to strengthen these initiatives.**

86. **The Special Rapporteur welcomes efforts undertaken to train law-enforcement agents, including the police, immigration officers, judges and lawyers, on human rights and non-discrimination. He notes, however, that ethnic profiling and police violence against vulnerable groups are recurring issues in several countries that discourage victims from seeking redress, owing to distrust of the legal system. He encourages States to adopt and strengthen measures to improve diversity within law-enforcement agencies and impose appropriate sanctions against those within the public service found guilty of racially motivated violence or of using hate speech, including prosecutors and judges and also immigration officials and border guards.**

87. **Some States provided information about the use of the Internet to foster a culture of peace and tolerance and to promote national legal provisions and protections against extremism, hate speech and xenophobia. The Special Rapporteur calls for the development of a solid legal framework regarding hate speech and extremist mobilization on the Internet. He welcomes the positive use of the Internet and recalls in this regard paragraph 92 of the Durban Declaration and Programme of Action, in which States recognized the need to promote the use of new information and communication technologies, including the Internet, to contribute to the fight against racism, racial discrimination, xenophobia and related intolerance. He further recommends the implementation of the recommendations made in his report to the Human Rights Council on racism and the Internet and social media (A/HRC/26/49).**

88. **The Special Rapporteur notes with appreciation the emphasis put on human rights education in some replies by States. The Special Rapporteur recommends that States continue to invest in education, in both conventional and non-conventional curricula, in order to transform attitudes and correct ideas of racial hierarchies and superiority promoted by extremist political parties, movements and groups and counter their negative influence. He further recommends cooperation with the United Nations Educational, Scientific and Cultural Organization, including in the framework of the relevant programmes set up by the Organization regarding human rights education, racism and racial discrimination.**

89. **The Special Rapporteur welcomes information regarding coordination between governmental structures in order to maximize efforts on the issue of equality and non-discrimination and mainstream anti-discrimination policies in public sectors. He encourages such coordinated efforts and recommends inclusion of a variety of actors, such as civil society actors, national human rights institutions and the media.**

90. **Finally, the Special Rapporteur wishes to stress the positive role played by the media in combating the spread of extremist ideas, in particular in combating stereotypes, promoting a culture of tolerance and playing an integrative role by providing space for ethnic minorities to also have their voice heard.**